SOCIAL DEPRIVATION AND GOVERNMENT EMPLOYMENT OF THE NON-PROFIT SECTOR:

A TWO-PHASED INTERROGATION OF THE WELFARE POLICY-PRACTICE PHENOMENON IN KWAZULU NATAL.

A thesis submitted in fulfilment of the requirements for the degree

DOCTOR OF PHILOSOPHY

by

DOUG ENGELBRECHT

University of KwaZulu-Natal

School of Management, Information Technology and Governance

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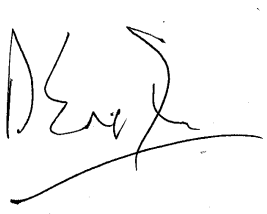

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Abstract

Social services delivery in South Africa is substantially achieved through the contracting by provincial governments of select civil society organisations, required to be registered as non-profit organisations. The questions that arise are whether non-profit organisations operate in the area of greatest deprivation and whether the contractual relationships established by government with select non-profit organisations effectively impact citizen deprivation.

Conducted from a pragmatic research perspective as a principally quantitative enquiry, the research investigates at the level of population study, in two phases, the phenomenon of non-profit organisation welfare service delivery in KwaZulu-Natal. The first phase interrogates the spatial relationship between the distribution of the human-welfare non-profit organisations and the distribution of human deprivation over the eleven municipal districts of KwaZulu-Natal. Undertaken as a cross-sectional study, a multi-dimensional deprivation measurement instrument was developed to measure deprivation throughout the province. Correlative association testing was performed to assess the form and extent of the relationship between all registered non-profit organisations, as well as the subset government-contracted non-profit organisations, and deprivation intensity.

The second phase of the study was conducted as a five-year longitudinal investigation of provincial government's disbursements to contracted non-profit welfare organisations, from fiscal year 2013. Regression analysis was undertaken for each provincial District Municipality, modelling the impact of annual disbursements to contracted NPO welfare providers on district poverty headcounts. The goal was to determine the explanatory effect of this expenditure on provincial deprivation levels.

The findings of the first phase reveal that there is no discernable relationship between the provincial incidence of welfare non-profit organisations generally and the deprivation experienced by the provincial population. However, a very distinctive positive association is distinguished between the geographic incidence of deprivation and the location of government-contracted non-profit organisations. Second phase analysis demonstrates there is limited impact of government contracted non-profit organisation welfare provision on deprivation intensity in any region of KwaZulu-Natal. The evidence demonstrates that government's social developmental welfare spend is neither impactful, nor judiciously targeted. It is concluded that this spending is palliative at best, markedly distinct from government's stated ambition.

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Abbreviations

ANC	African National Congress
Census	National Census of Population
COFOG	Classification of the Functions of Government
COPNI	Classification of the Purposes of Non-Profit Institutions Serving Households
DANGO	Database of Archives of Non-Governmental Organisations
DH	Department of Health
DOF	Department of Finance
DPME	Department of Planning, Monitoring and Evaluation
DSD	Department of Social Development
DSD Plan	Kwazulu-Natal Department of Social Development Annual Performance Plan 2013/14 including Reviewed Strategic Plan 2012-2015
ECD	Early childhood development
ESCD	Economic, Social and Community Development
ETU	Education and Training Policy Unit
FTE	Full-time equivalent (employment)
GEAR	Growth Employment and Redistribution
GWM & E	Government-Wide Monitoring and Evaluation System
HPI	Human Poverty Index
HSRC	Human Sciences Research Council
ICNPO	International Classification of Non-Profit Organizations
ILO	International Labour Organisation
ISIC	International Standard Industrial Classification of All Economic Activities
KZN	Kwazulu Natal
M & E	Monitoring and evaluation
MPI	Multidimensional Poverty Index
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDA	National Development Agency
NDP	National Development Plan
NGO	Non-government organisation
NPC	National Planning Commission
NPO	Non-profit organisation
PAG	Poverty Analysis Discussion Group
PBO	Public Benefit Organisation
RDP	Reconstruction and Development Programme
SAIMD	South African Index of Multiple Deprivation

SALDRU	Southern Africa Labour and Development Research Unit
SASSA	South African Social Security Agency
SONA	State of the Nation Address
Stats SA	Statistics South Africa
UIF	Unemployment Insurance Fund
UN	United Nations
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation

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CHAPTER ONE

INTRODUCTION TO THE STUDY

> *The distinction between economy and society rests on this assumption: there is a type of rationality such that reorganization of social arrangements to facilitate it will result in the freest, wealthiest, most efficient social order in history.* (Stanley, 1972, p203).

1.1 INTRODUCTION

Alvin Toffler's 1980 *Third Wave*, interrogating industrial society and remarking on transition to information society, recorded the accompanying social and political dislocation that such transition brings about. The contemporary preoccupation with what is regarded as a transition to Industry 4.0, is consequently less than original. In fact, disjuncture and its accompanying disquiet is a common condition: it is possible to step back in time to the preoccupation of sociologists at the beginning of the 20th century, to refresh commentary of that time. Joseph Folsom, for example, expounded in 1928 on *Culture and Social Progress*, reflecting on "an understanding of the foundation principles of social betterment" (1928, vii). Franz Müller-Lyer's posthumous translated publication in 1920 of *The History of Social Development,* prioritised classification of culture, understanding culture "to be the sum of all man's progress and achievements" (p29) and not just the "resulting manners and customs" (p29).

Müller-Lyer maintained that "social economy, reproduction and social organisation form a triangle which includes all life processes necessary for the existence of a social organism, that is, everything that is necessary for a community of living things" (1920, p61). Each of these three apexes could suffer dislocation, according to Toffler's more contemporaneous analysis. Müller-Lyer provided a frame of reference by which this dislocation can be understood:

> *The fundamental stipulation for the existence of human society is the provision of means for such existence, in the first place food, then dwelling-place, clothing, weapons, tools and implements. ... Having shown the possibility of maintaining individual life, the next in importance will include those life-processes tending directly or indirectly to the continuity of the human race ... that is the customs related to the continuance of life from generation to generation, reproduction, sexual relationship, marriage, the family, etc. Having studied these groups which concern the general essentials of physical life, we shall proceed to the third group which consists of those phenomena which deal with social relationships, that is to say, the*

> *mutual relationship of the individuals forming a society, with the relationship of such a society to the world at large, and finally with the inter-relationship, whether peaceful or hostile, of separate societies.* (Müller-Lyer, 1920, pp 60-61).

Cognisant that what is manifestly an expression of Western cosmology, social dislocation is not regarded for the purpose of this research to be a lack, or desert, of social development per se. Rather, it is an under-development, materialising as socio-economic progress less than that which is required to maintain a population at that society's desired sub-minimums of social economy, reproduction and social organisation. By any measure, South Africa, straddling Western and African cosmology, traditionalism and modernism, and inextricably caught up in the prevailing global web of information and communication technologies, is acknowledged as under-developed.

Accelerating socio-economic progress is understood to be social development. This should encompass political, institutional and human capital development (see Chang, 2010). By all accounts (Chang, 2010, Mkandawire, 2010, Evans, 1997, Baran, 1957), governments are expected to pioneer this course. So it is that in South Africa, the post-democratic transition government rose to meet the challenge of rectifying the inherited deficit in social development. This has taken the form of economic policies, education and public health interventions and as it serves the focus of this research, the incorporation and assimilation of the machinery of the pre-democratic government's Department of Social Welfare. The objective of this component of the Union-era public administration apparatus, was the reduction of the 'poor white' problem (Seekings, 2006). Measures of poverty alleviation in the 1938-1939 fiscal year included:

> *... what the new Department of Social Welfare called 'services of an essentially social welfare nature'. These included old-age pensions (£2.2 million), assistance to farmers (£2 million), employment creation programmes and 'unemployment expenditure' (a total of almost £3 million), child welfare (£0.4 million), invalidity and blind pensions (£0.3 million) – together with mental hospitals (£0.65 million) and public health (£0.55 million).* (Seekings, 2006, p2).

While the scope of social development is regarded to be broader than 'services of an essentially social welfare nature', the present-day Department of Social Development, into which the former Department of Social Welfare was metamorphosed, is constitutionally mandated with principal responsibility for South Africa's social development.

The plausibility of welfare apparatus serving to coordinate and execute national social development appears not to have attracted widespread astonishment - but, incrementing bewilderment has propelled this research. The outcomes of social development execution having been experientially interpreted (by this researcher) to be remotely connected to changes in socio-economic wellbeing. The gnawing

doubt has been whether the modality by which the Department of Social Development executes its mandate can be lauded as cutting edge or, rather, pilloried as unconvincing.

The research by which this modality has been interrogated was conceived, originated and executed within the parameters of critical realist ontology (understood as broad critical examination) and axiology (see Bhaskar, 2008 and Fleetwood, 2014). Cognisant that "critical realism apprehends the object of social science in a manner quite different from … positivism" (Danermark, Ekstrom, Jakobsen, and Karlsson, 2001, p73), it is appropriate then to outline in this introductory chapter not only the background to the study and the identified problem, but also an accounting of the paradigm and research methods employed to seek problem resolution (given the departure this represents from positivist paradigmatic bias).

The problem setting and the revealed knowledge gap are consequently framed in section 1.2. This enables the articulation of the research problem, necessarily explained as a sociological phenomenon, arising as a management and organisation planning quandary at the intersection of South African poverty, public policy, and 'poverty-problem' resolution. The multiplicity of social and institutional actors engaged in the amelioration of multi-dimensional deprivation establishes an associated social complexity, however (Conklin, 2006). Complex, intricate problems, what Ackhoff (1974) appreciates as a 'mess', cannot be deconstructed in the pursuit of atomistic empiricism without rendering interrogation pointless. Contemplating the 'whole', then, establishes this as a so-called 'wicked problem'.

Where "poorly formulated, boundary-spanning, ill-structured issues with numerous stakeholders who bring different perspectives to the definitions and potential resolution of the issue or problem" (Waddock, Meszoely, Waddell and Dentoni, 2015, p996) arise, they are conceded as 'wicked'. Originated in 1973 as a conception of Horst Rittel and Melvin Webber in *Dilemmas in a General Theory of Planning*, subsequent commentary repeats the refrain that wicked problems are intractable and unsuited to resolution by idealised and linear planning processes (Rittel and Webber, 1973). Wicked problems consequently need "to be dealt with holistically because piecemeal solutions do not work, because of interconnectedness, interrelatedness, and interdependence of elements" (Waddock et al., 2015, p999). Conklin (2006) contemplates piecemeal solutions as implausible because they do not address the fragmented nature of the problem:

> *Fragmentation … is when the stakeholders in a project are all convinced that their version of the problem is correct. Fragmentation can be hidden, as when stakeholders don't even realise that they are incompatible tacit assumptions about the problem, and each believes that his or her understandings are complete and shared by all.* (Conklin, 2006, p1).

Eliminating fragmentation is perhaps an unrealistic goal, but melding the components is possible through holistic conceptualisation. Accordingly, an illustrative conceptual map representing a comprehensible arrangement of the research problem is presented in section 1.3. This orientates the specification of the research problem, as well as the proximate direction of the objective questions established as enabling inference to the best explanation (Harman, 1965).

The (wicked) problem revealed, it is necessary to situate the enquiry in a valid scientific paradigm. The objective of section 1.4 is to clarify, independently of the chapter (five) devoted to the meta-theoretical considerations that enlighten the paradigmatic stance from which the enquiry was conceived, the practical (and to an extent emancipatory) domain of enquiry characterising the investigation. It is necessary to provide an early synopsis of this perspective for (in the custom of Habermas) it is pertinent to remark "that the dominant intellectual climate … [is] … unfavourable, even hostile, to the idea of a philosophy … with a practical intent" (McCarthy, 1985, p137).

Section 1.4 can be summarised as a contrast of grounded theory methodism with causal-explanatory hypothetico-deductivism, the former argued as better aligned in the context of this enquiry with, firstly, the meta-theoretical paradigm of the study, as well as the particular obstacles to theory development arising in the context of a social organisational problem situated in complex and multidisciplinary organisation and management setting.

With the research methodological approach enlightened, the fourth step is to constitute the enquiry as procedure and method. This is addressed in section 1.5. Although comprehensively addressed as an exposition of meta-theory and methods in two subsequent chapters (five and six), the principal objective is to negate early on, the prospect of tangential interpretation. Hence there is an emphasis on clarifying "the borderline between on the one hand the philosophy of science, and on the other hand the critical methods or working procedures used in specific studies" (Danermark et al., 2001, p73). This is the praxis arising in pragmatic grounded theory research enquiry. As protested by Feyerabend (1993, p2):

> *The success of science cannot be used as an argument for treating as yet unsolved problems in a standardized way. Referring to the success of 'science' in order to justify, say, quantifying human behaviour is therefore an argument without substance. Quantification works in some cases, fails in others.*

Finally, this chapter commits to two disclosures, being the ethical considerations pertinent to the study, and the perceived and acknowledged limitations arising in both phases of the research, before presenting a summary of the purpose and contribution of the study.

1.2 ESTABLISHING THE (WICKED) RESEARCH PROBLEM

1.2.1 The problem setting

A reassuring South African homily, a warm constant in a general morass of dissent, is that the poverty, deprivation, social exclusion, resource insufficiency and general misery associated with the ill-being suffered by a great number of South Africans, is not contested. The adversity is generally recognised, acknowledged and conceded, and recognised as grave, something about which something should be done. Similarly incontestable though, is that only one grouping bears responsibility for 'doing something', and that grouping is government:

> *When people began to live in groups to take advantage of the mutual benefits such associations provide, they determined the use of "self-help" to protect the lives and property was not in their best interest, and they voluntarily instituted governments and laws. The philosophy behind government is that certain functions necessary for the protection of the life, liberty and property of the people can be best handled by a centralised organisation (government) which is given sufficient power (lawful right to pass laws and to enforce them) to accomplish those functions.* (Dickstein, 2010, p9).

To the extent that government may consult with groupings beyond its dominion, represents a particular brand of leadership. While favourably regarded as participative, sceptics regard consultation as a cliché practiced to disarm detractors. Notwithstanding, government enjoys the right to exercise power in the pursuit of its societal mandate, although it must be added that this is not unfettered. Dickstein (2010, p11) adds: "When a government transcends its limitation, the usurpation of authority is known as tyranny".

It is not suggested the exercise of power by the South African government in attending to the ill-being suffered by so many, is tyrannical. However, it is speculated that the practice of welfare and welfare service provision, the 'modality' so to speak, may represent a futility, if not a grave deceit. Populist sentiment shores the ostensible credibility of the government department responsible for ameliorating, if not reversing ill-being. The Department of Social Development (DSD) forges ahead with, principally, "the provision of comprehensive social security services against vulnerability and poverty within the constitutional and legislative framework" (DSD, 2019, online). Central to this provision is what are disarmingly labelled 'social security transfers', more commonly 'social grants', paid monthly to assessed and deserving vulnerable beneficiaries. The 2019 Budget Vote 17 of the National Treasury reveals that social grants account for 94.3% of the department's total budget allocation over the Medium Term Expenditure Framework (MTEF) period (National Treasury, 2019). The majority of the beneficiaries of this largely unconditional cash transfer are the elderly and children. About 3.7 million

elders and 12.7 million child support beneficiaries make up a little less than 90% of the anticipated 18.245 million grant beneficiaries in the 2019/20 year (National Treasury, 2019). Transfer of cash grants sums up the substantial thrust of the DSD's activities. Within two years, this is expected to constitute a cash grant beneficiary audience of 18.83 million individuals (National Treasury, 2019). Consequently, it is appropriate to reflect on whether the machinery devised to address the vulnerable population component's lack of wellbeing, or ill-being, is anything more than just a sop. After all, if the goal of 'social development' is to be realised, then would citizen vulnerability not be expected to give way to resilience? Is the expectation not, rationally, that resilience would ultimately make way for independence, and a complete and fulfilling existence?

This is the central conjecture: while cash transfers may 'keep the wolf from the door' for so many, it is not unreasonable to expect that 'social development', comprehensively planned and competently directed, is a necessary property of fit and proper government. If the social development modality (distinct from cash social transfers) practiced by government was subjected to scrutiny and found to be ineffectual, then this would obligate conclusion that the modality (as planned and practiced) is an exercise in futility at best, and a deceit at worst.

The National Development Plan (NDP), the National Planning Commission's (NPC) capstone creation, expresses government's vision for turning around the generally adverse circumstance in which South Africa finds itself. The NDP's 2030 vision is framed as accomplishable as the interplay of fourteen broad development areas. Government's first bite at the apple is a five-year plan comprising the essential fourteen outcome areas in a Medium Term Strategic Framework (MTSF). The fourteen areas are summarised for reference in table 1-1. Of particular interest is "Outcome 13: An inclusive and responsive social protection system" (Department of Planning, Monitoring and Evaluation [DPME], 2014, p1). Outcome 13 of the MTSF focuses the DSD's attention on reversing disorganisation and inadequacy whilst enhancing social protection (DPME, p1).

Prioritisation of these 'social protection measures' is predetermined for the DSD by the specification of the NDP. Table 1-2 illustrates the contribution it is intended be made by the Department towards achieving the NDP's medium term strategic goals. The breadth of social protection beyond classical welfare services provision (line items 1 and 2) is revealingly illuminated in that statutory unemployment insurance contributions (line item 3, the preserve of the Department of Labour), lie well beyond the mandate of the DSD. The first two line items per table 1-2, shaded for emphasis, are the purview of the DSD: 'expanded social assistance' and 'a developmental social welfare approach'.

Table 1-1: Strategic targets and outcome areas of the Medium Term Strategic Framework

	Targets	Desired outcomes
Outcome 1	Education	Quality basic education
Outcome 2	Health	A long and healthy life for all South Africans
Outcome 3	Safety	All people in South Africa are and feel safe
Outcome 4	Economy	Decent employment through inclusive economic growth
Outcome 5	Skills	A skilled and capable workforce to support an inclusive growth path
Outcome 6	Infrastructure	An efficient, competitive and responsive economic infrastructure network
Outcome 7	Rural Development	Comprehensive rural development and land reform
Outcome 8	Human Settlements	Sustainable human settlements and improved quality of household life
Outcome 9	Local Government	Responsive, accountable, effective and efficient developmental local government system
Outcome 10	Environment	Protect and enhance our environmental assets and natural resources
Outcome 11	International	Create a better South Africa, contribute to a better and safer Africa in a better world
Outcome 12	Public Service	An efficient, effective and development-oriented public service
Outcome 13	**Social protection**	**An inclusive and responsive social protection system**
Outcome 14	Nation Building	Nation building and social cohesion

Source: Author-derived from the MTSF revised outcomes, DPME (2016).

Table 1-2: Forms of social protection described in the NDP and where covered in the Medium Term Strategic Framework (MTSF)

	Area of social protection	Addressed by the MTSF in:
1	**Expanded social assistance to over 16 million beneficiaries including vulnerable children.**	**Outcome 13**
2	**A developmental social welfare approach, with a focus on progressive policies, legislation and services that care and protect individuals, families and communities.**	**Outcome 13**
3	Statutory social insurance arrangements, e.g. Unemployment Insurance Fund (UIF).	Outcome 13
4	Access to free basic services such as housing, water, sanitation and energy for poor households.	Outcome 9
5	Free education in 60% of schools in poor communities; a school nutrition and transport programme.	Outcome 1
6	Free health care for pregnant women and children under six.	Outcome 2
7	Active labour market policies to facilitate labour market entry and redress the inequalities that are inherent in the system due to apartheid.	Outcome 4
8	Income support for the working-age poor through public works programme.	Outcome 4/9

Source: Adapted with author emphasis from DPME (2016, p3).

Expanded social assistance, for the purpose of this study, encompasses the cash transfers elaborated four paragraphs supra. The South African Social Security Agency (SASSA), a statutorily established agency directed by the DSD (Kelly, 2017), manages this. The second element, developmental social welfare, is interpreted as societal engagement through provision of services that care for and protect individuals, families and communities. These services are overseen by the DSD but undertaken indirectly. The mechanism through which this is achieved is the employment in a form of sub-contracting, of a swathe of civil society represented by voluntary associations, faith-based organisations and community-based organisations. Taxonomic classification of these institutional forms is that of non-government organisations or, more simply, NGOs.

NGOs are the product of citizen groupings' agitation a little over a half-century ago to achieve representation at the United Nations, although the term's ubiquity is considered only to have emerged in the 1970s. The NGO sector has for decades, propelled the delivery of welfare services parallel to and in tune with the state. However, since the turn-of-the-century, NGOs contracted by the state to provide welfare services on the state's behalf have been required as a condition precedent to conclusion of the government-provider service contract, to register as so-called nonprofit organisations (NPOs). This is a statutorily enabled process [1] directed by the DSD and managed by the DSD's Nonprofit Organisations Directorate (NPO Directorate).

While for the first decade of this mechanism's operation, civil society organisations contracted by the state were only referred to as NPOs, reference is again made in the NDP to NGOs. This seemingly innocuous turn in the turn of phrase may in fact suggest government acknowledgment of the autocratic control exercised over this component of civil society for the better part of two decades of the current government's rule. State-civil society relations can be adversarial, especially so where civil society advocates in opposition to government policy and action. The exercise of control over the welfare component of civil society achieved by obligatory NPO registration of state-contracted NGOs, nullifies the prospect of contradiction of policy and action by contracted NGOs, for the sustainability of these entities vests in securing 'repeat business' from the state. Simply put, the state is the piper who calls the tune.

Nevertheless, the state has always, and continues to acknowledge the contribution of civil society to the provision of welfare services, service provision that is fundamentally a state obligation:

> *There is are a broad range of players involved in the provision of social welfare services and influence how the care system works. Non-governmental organisations (NGOs) play a crucial*

[1] The NPO Directorate is brought into being by the NPO Act No. 71 of 1997. This is elaborated in chapter three.

> *role in reaching out to marginalised communities, building trust and attempting to provide much needed help and support. Their evolution over the years has contributed to creating diversity in the sector. These NGOs are often at the forefront of innovative practice.* (DPME, 2016, p2).
>
> *The State-NGO sector partnership has played an important role in transforming the nature and scope of service delivery which, beset by capacity challenges and the effectiveness of the services provided has, not been measured and evaluated* [sic]. (DPME, 2016, p3).

An inkling of the impetus for this study can be gained from government's acknowledgement of limitation. In the presence of compromised performance of applied national welfare economics, beneficiaries, funders and service providers are all short-changed. While the targeted nature of social transfers ensure that benefit reaches the most vulnerable members of the population, inadequately targeted 'social development' resource allocation coupled with inadequate monitoring and evaluation (M & E), dilutes the impact of noble intentions ignobly implemented.

Even at first glance, the quixotic contradiction of 'social protection' as recognised by contemporary government planners, and 'social development' as countenanced by the promoters of old, should induce pause. The establishment of social services offered or facilitated by the state has a century-old history and in South Africa, represents the evolution of the current equal-opportunity-access to welfare provision, since formal inception of state welfare in 1937. The interplay of theoretical and applied welfare economics has not deviated much since inception, save for the more inclusive definition of target beneficiaries. Not deviated much, that is, except for the change in name from the former Department of Welfare to the current nomenclature in July 2000 (DSD, 2002). Notably, the distinguishing characteristic of the new department is the dramatic increase in quantity and value of social transfers, elevating the most economically deprived of citizens to a relative position of dignified existence. The inclusion of South Africa in the global economic roundabout post democratisation (accompanied as this phenomenon was by a dramatic rise in investment inflows, access to borrowing by government and the concomitant increases in government spending and economic growth) initially afforded this charitable largesse.

However, near-static economic momentum for a decade has progressively brought a spotlight to bear upon state spending. Has the initial momentum of the glory years perhaps deflected the necessary critical evaluation of spending to date? Has the feel-good factor accompanying the ideological drive to introduce citizen dignity (through a 'social wage') obscured the importance of subjecting social expenditure **other than that upon social transfers** to critical scrutiny? Has populist sentiment and the ruling party's gawkish transition from liberation movement to political party favoured ideology over outcome?

1.2.2 The knowledge gap

The questionable value of a dignity characterised by a populace's entrenched economic dependency upon government bigheartedness aside, intellectual and scholarly emphasis has focused on social transfers. Social welfare service provision that has continued to operate both parallel to and in tandem with social protection has only cursorily been addressed. The extent of the effort, and ramifications of the state's co-option of civil society social service provision capacity and expertise, suggests that critical clarification would not be amiss. The opportunity cost of foregoing evidence-based determination of social policy, and of eschewing effective monitoring and evaluation (M & E) of social welfare practice, is insupportable. The scale of social vulnerability, the scale and scope of both government's leverage of civil society as well as the scale and scope of government expenditure on welfare provision achieved through civil society contracting, and the scale of government-employed civil society's funding deficit after government's contract payments, have not been interrogated.

The gap in the knowledge commons is usefully revealed by emphasizing government's admission that services are poor, ineptly monitored, with great room for improvement. From government's fine-tuned expression of Outcome 13, we learn that:

> *The capacity both in the State and in the communities to deliver social welfare services and to implement development welfare policy is not optimal. It also faces a number of inefficiencies with regard to implementation, which could be viewed as being exacerbated by a lack of common social information and reporting systems and institutional challenges. Various administrative bottlenecks have emerged over time and there are indications of challenges for eligible beneficiaries to access services and entitlements that need to be addressed proactively.* (DPME, 2016, p3).

> *Those with the ability to pay for social welfare services and care privately have the advantage of better services, whereas government funded services [either provided directly by the state or through NPOs], the quality of service is often plagued by inefficiencies, inadequate funding, competition for scarce resources and inadequate monitoring and oversight of services delivered. Our social assistance system is well developed with wide reach and coverage, but the system is still fragmented, plagued by administrative bottlenecks and implementation inefficiencies.* (DPME, 2016, p2).

The two preceding passages underscore the limitations in the knowledge base. We do not necessarily enjoy a universal understanding of 'developmental welfare policy' as **theoretical** welfare economics. Simultaneously, a common appreciation of social development as **applied** welfare economics cannot

be assumed to exist. Consequently, systematic review of the literature could encourage momentum for a common taxonomy, initially, and eventually a higher-order ontology.

Where government refers to a dearth of 'social information', new instruments for gaining understanding of deprivation prevalence and intensity could be developed. This may prove less challenging to address than 'institutional challenges' regarding service provision and administration. Defining 'eligible beneficiaries' is contemplated as a by-product of developing instrumentation to assess deprivation prevalence and intensity, for eligibility is surely a function of deprivation incidence and deprivation prevalence?

Government's 'observed inefficiencies', giving rise to 'resource competition', will remain distant objects of observation until interrogated. The extent to which current funding allocation alleviates the ill-being of socially and economically marginalised citizens and communities, has not been subjected to transparent review, particularly so where attention is drawn by the monthly social wage paid to over a third of the country's population.

While the DPME strives to assess not only progress but also the quality of progress evaluations, only 83 evaluations were conducted between 2006 and 2011 (DPME, n.d.). Scrutiny reveals that no evaluations have been commissioned by government about the scope, nature and impacts of social welfare provision or, as the state would have it, social development. Inadequate M & E and oversight generally, are testament to a beleaguered public service administration. Personal experience has revealed that neither the NPO Directorate nor the DSD provincial infrastructure enjoys adequate oversight capacity. This arises even though, as in the case of the NPO Directorate, statutory endorsement provides the necessary potency to address NPO non-performance, with contract law underpinning the state's right of redress in the case of abuse of funding agreements struck with NGOs.

Post-graduate social work research is focused on technical aspects of social work provision. This includes the nature of assistance provided to victims of drug abuse and spousal abuse, social workers reflections on the socio-political environment within which they work, volunteerism social worker professionalism, transformation management and the epistemology of social work education. Guided postgraduate coursework programs and structured supervised postgraduate research address the policy aspects of theoretical welfare economics, but this does not translate to an interplay with applied welfare economics in respect of policy execution or policy efficacy. Teaching and research has not questioned the subordinate role of civil society, and has in fact come to interpret, in some quarters, the provision of welfare as a state-directed and civil society-executed status quo that deserves no challenge.

These circumstances combined, it is interpreted therefore that there exists a gap in the understanding of civil society's applied social welfare practice exchange with the state. While the target beneficiaries of

the state-civil society joint venture may be considered broadly distinguishable (income-poor and socially marginalised), the relationship per se and the outcomes-effectiveness of government's social development modality have not attracted scrutiny. If the knowledge gap is to be narrowed (or exposed as wider than we had comprehended it to be), then enquiry must be directed at NGO-contracting, at the prospect of these non-profit enterprises being adequately placed to address the shortcomings of social development. Preliminary findings would better direct more focused enquiry, delving into the social development effectiveness of the modality.

1.2.3 The problem statement

While cognisant that communities change and that the Pareto-optimum representing the collective well-being of taxpayers and tax beneficiaries is consequently a moving target, it is contended that systemically incorporated inefficiency and ineffectiveness produces a substandard collective well-being. The purpose of this research is therefore to investigate, firstly, the spatial relationship between civil society undertaking welfare provision and the geographic incidence of social and economic deprivation. **This represents the first phase of the study: an exploration of the proximal relationship between civil society welfare providers and the deprived beneficiaries of welfare services, so that the prospect for targeted resource allocation and efficient deprivation mitigation can be established.**

The second phase of research is informed by the outcome of the first phase, and directs attention to the welfare measures identified by government as optimal for addressing deprivation. The portion of the national budget directed towards alleviation/palliation of felt-deprivation, and therapeutic remedying of the ill-being suffered by the deprived, is negligible compared to the state's social transfers. However, the sum is still substantial in absolute terms, and mobilises from the benevolent general public, donations speculated as at least equal in extent to the state's expenditure. However, neither civil society nor the benevolent institutional and individual donor general public are abreast of the impact of their charitable contributions. **The second phase of the study is therefore an exploration of the impact of the state's contracted-NPO funding modality, to identify the outcomes-effectiveness of the prevailing model.**

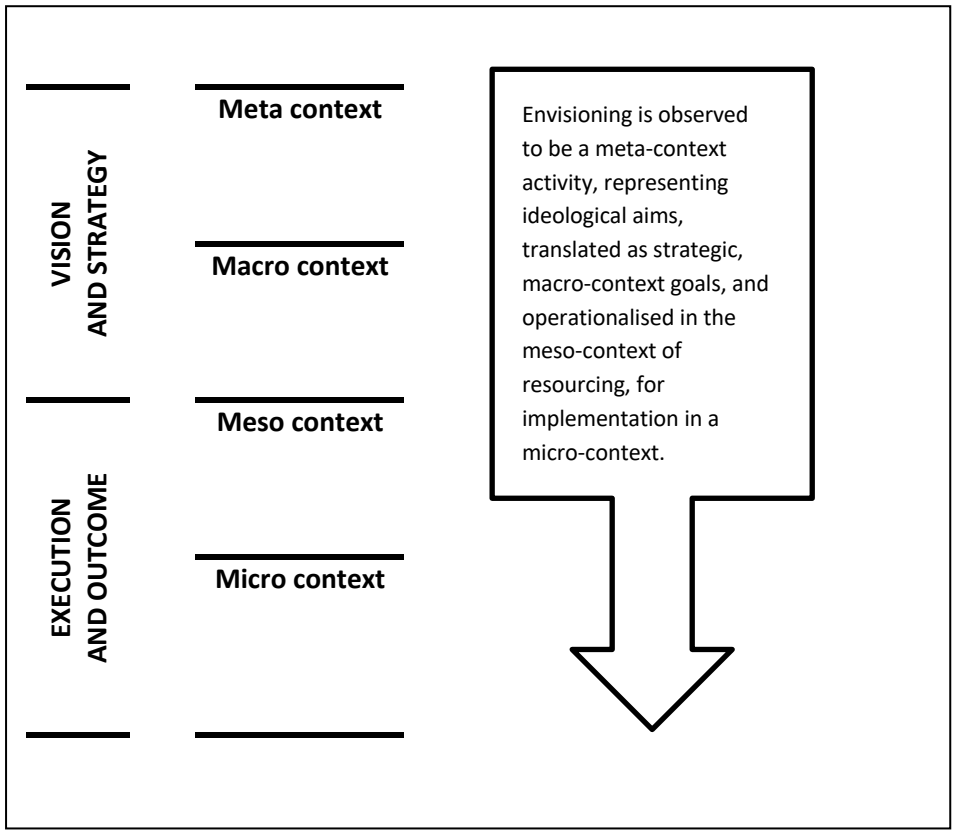
The social intricacy and complexity alluded to in the introductory remarks to this chapter, can be discerned in these two statements of the discerned problem. Each statement represents a perspective from which to contemplate the roles and contribution of the stakeholders with a direct interest in the social development dilemma: government, civil society (especially the representatives chosen to fulfil the state's mandate) and the target beneficiaries of government-directed and civil society-fulfilled social development intervention. It is both necessary and appropriate to elaborate the key constructs serving to inform the area of study, for this will a) facilitate the development of a conceptual framework, b)

assist in clarifying the research questions by which the enquiry can sensibly proceed and c) enable the deliberation of a research approach. The conceptual framework is elaborated in the following section and the research questions and research approach are elucidated in the section thereafter.

1.3 DEVISING A CONCEPTUAL FRAMEWORK

Government interacts with select NPO civil society representatives providing, for compensation by government, welfare services on the state's behalf. The two principal parties to the association seek to satisfy the demands established by mandate (government) and by compassionate statement of purpose (civil society actors). For both parties, operational processes arise in two distinct stages of the planning-execution dimension, this reasoning illustrated in figure 1-1, and presented in the frame of complex systems structure (Liljenström and Svedin, 2005; Bunge, 1996).

Figure 1-1: Welfare planning and execution decision-making environments



Source: Author

Analysis, in this research enquiry, is necessarily influenced by the complexity of the relationships that is suggested by the depiction in figure 1-1. Jepperson and Meyer (2011), for example, suggest that analysis confined to particular levels of complex systems gives rise to distortions in interpretation

because the inter-level linkages are overlooked by atomised (for which I interpret simplistic) analysis. They assert: “The causal processes involved are distinct ones, with the more structural and institutional forms neither captured nor attainable by individual-level thinking” (Jepperson and Meyer, 2011, p54).

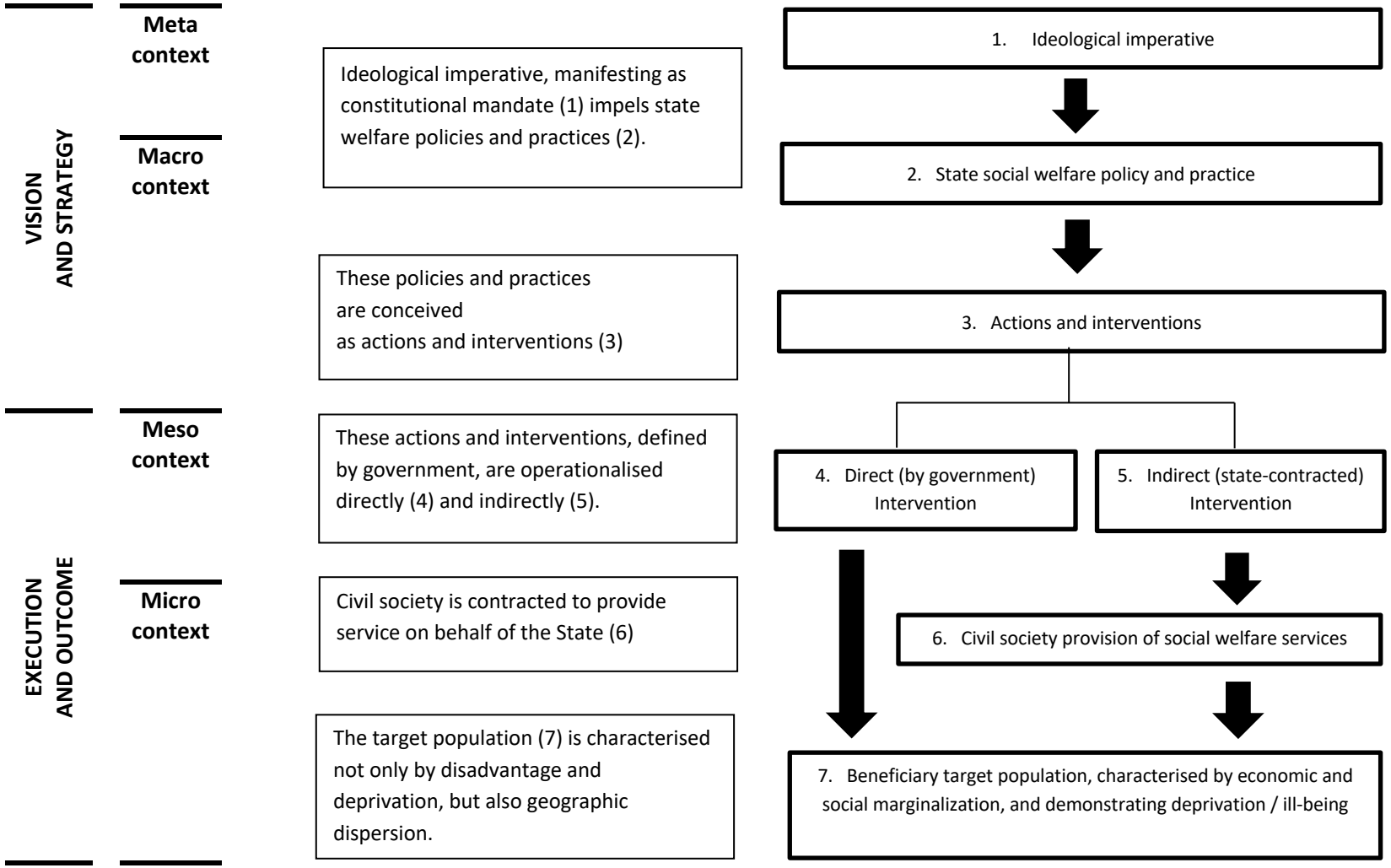
Exploiting the logic by which systems in sociological contexts (as opposed to natural science contexts, where alternate particularities come into play) are discerned, two primary planning dimensions are seen to arise. These are i) vision and strategy and ii) execution and outcome. Vision and strategy represent, respectively, long- and medium-term decision-making. Accordingly, envisioning relates to the meta-context of vision and strategy, and the determination of strategic actions and interventions to a medium-term, macro-context.

Execution and outcome is a construct characterised by shorter time horizons, in what is conceptualised as a meso-context decision-making environment as it affects welfare resourcing, and a micro-context decision-making environment with respect to the operationalisation of actions and interventions. Initiating the conceptualisation in this way facilitates foregrounding the constructs that inform the multi-level mechanism of social welfare. Jepperson and Meyer (2011) comment on this complex architecture of linked and inter-dependent system components thus: “In the multilevel exposition here we distinguish between three different sets of causal processes: individual-level ones, social-organizational ones, and institutional ones” (Jepperson and Meyer, 2011, p60).

Conceptualising the entirety of the mechanism entertains elaboration, serving to guide reflection and interrogation in respect of the multiplicity of linkages. The relationships between constructs that, taken together, effect welfare, are illustrated in the conceptual framework of study constructs depicted in figure 1-2. Commencing with the ideological imperative, we record that the Constitution of the Republic of South Africa, Act Number 108 of 1996, promulgated on 18 December 1996, set the tone for the re-ordering of legal and social reality in South Africa. The Constitution, as supreme law of the land, serves as the pennant of this reordering, constructed as it is in the ideological context of the Freedom Charter adopted at and by the Congress of the People, Kliptown, on 26 June 1955 (ANC, n.d.). This ideological context and appreciation is realised as the Bill of Rights (The Bill of Rights, n.d.) and reveals as Chapter two of the Constitution (Constitution Of The Republic Of South Africa [Constitution], 1996).

Section 27 of Chapter two of the Constitution addresses health care, food, water and social security (Constitution, 1996). Explicitly, S27 (1) (c) records that “everyone has the right to have access to social security [which means support for people who can’t support themselves or their dependants]” and S27 (2) records that “the state must take reasonable legislative and other measures, within its available resources to achieve the progressive realisation” of this right (Constitution, 1996, p1255).

Figure 1-2: Conceptual framework of study constructs



Source: Author

The Constitution conclusively and enduringly establishes the foundation of statute in South Africa. Legislation seeks to approve, regulate, sanction, prohibit, and pronounce; the complexion of this legislation is established in the Preamble to the Constitution:

> *We, the people of South Africa, recognise the injustices of our past; … and believe that South Africa belongs to all who live in it, united in our diversity. We … adopt this Constitution as the supreme law of the Republic so as to heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights; … improve the quality of life of all citizens and free the potential of each person.* (Constitution, 1996, p1243).

The constitutional imperative of dignified citizenship thus established and codified in Section 27, social policy determines the scope of welfare provisioning and social practice the mechanism. Social security is understood to encompass public services provided by any government to its citizens, typically health care, housing, and social welfare. The contemporary notion of a government's accountability for the care of its vulnerable and disadvantaged citizens emanates from the aftermath of the great conflicts of the last century. This manifested firstly with the League of Nations, later subsumed by the United Nations, which sought following the Second World War to express a universal declaration of human rights (The Universal Declaration of Human Rights, n.d.).

The Constitution establishes a burden of responsibility for individual and corporate citizens, and for government. The government is tasked with giving effect to the provisions of the Constitution and thus determines policy objectives (as per S27 (2)) that are devised to fulfil constitutional imperatives. Simply put, in the context of social security, the government serves as a conduit. It transfers, through tax collection, a portion of the wealth of those who enjoy access, assets, and income, to those who do not. The allocation of this share of the national budget is determined by policy objective. The transfer is effected operationally: the provision of free or low cost services such as water and electricity (access); the erection of dwellings for poor citizens with little prospect of ever affording the procurement of a home (assets); and the payment of grants, intended to lower the cost of living for disadvantaged and vulnerable citizens (income).

In addition, funding models have been devised for provincial government to direct disbursements to civil society organisations providing welfare services to disadvantaged and marginalised citizens. In other words, government achieves social welfare goals directly through direct intervention (statutory welfare services, grants), and indirectly through contracting the service provision of select civil society organisations. Government provides a policy framework for the registration and regulation of the NPO sector, and then contracts the input of the sector - where the necessary conditions for such a relationship exist - to deliver public sector services on its behalf.

It is not unusual for welfare states to contract the private or the third sectors to undertake welfare services provision (Kettl, 2010, Peters, 2010). This is an entirely rational choice, consistent with lean New Public Management, establishing a third party service delivery capacity. However, civil society actors are independently constituted entities, brought into existence independent of government policy or practice. While these entities are entitled to request government financial assistance to assist them in achieving their aims, they are not established as part of a greater plan by government to provide social welfare to the community where disadvantage and deprivation may be greatest. If civil society welfare actors are circumstantially congregated closer to cities and urban areas for example, government-funded civil society welfare provision could be misaligned with government's intention to achieve an equitable spread of welfare services, emphasising service delivery where social need is greatest.

A disconnect comes about by virtue of the distinctions to be found in the respective crusades of government and civil society. Civil society institutions are brought into being by conscionable individuals acting in unison to bring about a reduction in ill-being, frequently staffed voluntarily and established in terms of a charter recording the institutional objective, terms and conditions of association and membership, and sometimes making reference to the mandate provided by charitable funders. Funders may in fact be the impetus for origination and incorporation (Viravaida and Hayssen, 2001).

The funding impetus and impetus for NGO and/or NPO incorporation are not determined by Constitutional imperative. It follows that distribution of registered NPOs and other civil society actors is unplanned, for there exists no formal mechanism for establishing voluntary and non-profit organisations according to a ranked geographic hierarchy of community need. In other words, NPO distribution is random. Even though civil society actors can elect to register with the DSD's NPO Directorate, NPOs remain independently constituted entities.

If civil society resources coincidentally surface where disadvantage is greatest then this is serendipitous. If, however, civil society actors are by unhappy accident not clustered in areas of greatest social need then this research enquiry points the way to tactically shrewder NPO-contractor selection and contract disbursement to better achieve government's social goals. Similarly, if the state is ineffectively allocating resources to the NPO conduit to achieve its constitutionally mandated obligation of social protection, then this represents a grave misallocation of funds. Clearly any and all investment in the alleviation of deprivation is potentially a bonanza for the disadvantaged. However, as Little (2002, p19) reminds us:

> *Theoretical welfare economics derives necessary conditions for the achievement of a 'Pareto-optimum'. A Pareto-optimum is defined as a situation where it is impossible to make one person better off without making another person worse off. More or less utility … is the criterion of better offness.*

It is unconvincing that state funding of welfare service provision undertaken by contracted NPOs is necessarily a) reaching communities where felt deprivation calls more urgently for palliation, or b) achieving any substantive remedy in the deprivation intensity experienced by the most needy individuals and communities. These two observations direct each of the two phases of this study. However, before the study can proceed, it is necessary to situate the enquiry in a scientific approach. This forms the substance of the following section.

1.4 SITUATING THE ENQUIRY IN A SCIENTIFIC APPROACH

The first step in situating the enquiry in a scientific approach, is to register the research questions that flow from the expression of the problem statement and the depiction of the study constructs in the conceptual framework. The second step is to register the pre-eminent suitability of pragmatic grounded theory as the research approach apposite to this enquiry. Finally, the research rationale, the *raison d'être* for undertaking **this particular research enquiry in this particular way**, concludes the section.

1.4.1 Research questions

The problem statements prompting the two phases of this research were elaborated in sub-section 1.2.3. They are reproduced here, in table 1-3, as the guiding precepts of the two primary research questions of each of the two research phases. These two research questions are in turn rendered as the seven investigative questions depicted in table 1-3. While some may prefer to think of these as research objectives, it is preferred to regard them as the specific investigative questions by which the logic of abducting an inference to the best explanation (an explanatory hypothesis based on an analysis of the data) can proceed.

The first phase of the enquiry was always intended as an autonomous body of research, with the goal of commencing a line of enquiry that would sustain research over the longer term into the social development undertaking of civil society and government. The outcome of this initial analysis proved disconcerting, however, and prompted extension of the enquiry. This resolved as interrogation of the validity of the de facto presumption that civil society is both able and not necessarily just willing, to advance government's social development enterprise on government's behalf. It is accepted that this iterative adaptation of investigative process is the hallmark of grounded theory, arising as a process of what is referred to as 'constant-comparison'. The evolution of the enquiry and the materialisation of abductive inference to the best explanation as concluding thesis, are accommodated most fittingly within the ontological parameters of critical realism and the methodical parameters of grounded theory. The rationale by which this conclusion is reached is elaborated in the following sub-section.

Table 1-3: Research questions and associated investigative questions

	Problem statements	Research questions	Investigative questions
First phase	Is the proximal relationship between civil society welfare providers and the deprived beneficiaries of welfare services such that there exists a satisfactory prospect for targeted resource allocation and efficient deprivation mitigation?	1. Can an **associative relationshi**p be discerned between regional distribution of NPOs and socio-economic disadvantage in the eleven KZN [2] provincial districts?	1.1 What is the scope and quantum of KZN welfare-sector NPO activity, based on international classification of NPOs?
			1.2 What is the geographic distribution of welfare-sector NPOs in the eleven municipal districts of KZN?
			1.3 What are the discernible socio-economic characteristics of each of the eleven KZN municipal districts *(an index of deprivation)*?
			1.4 What is the pattern of association, if any, between KZN municipal district socio-economic characteristics and KZN government-contracted welfare-sector NPO distribution in the province?
Second phase	If the meritocracy of state-contracting of NPOs is established, does the state's contracted-NPO funding modality favourably impact the dearth of social development?	2. Can a **positive relationship** be discerned between the state's funding modality and the incidence and prevalence of deprivation exhibited in the eleven KZN provincial districts?	2.1 What is the change in KZN's regional deprivation intensity over five years measured from the base year of 2012/13?
			2.2 What is the quantum and categorical allocation of funding by the state in KZN over five years measured from the base year of 2012/13?
			2.3 Does the state's annual social welfare categorical funding allocation in KZN significantly explain a reduction in the regional intensity of the province's deprivation?

1.4.2 Critical Realism and the use of abductive inference

What is known about the (wicked) research problem, is that it is complex; that it is bound up in (Müller-Lyer's triangle of) social economy, reproduction and social organisation; that it engages numerous social (including institutional) actors. This complexity and the implications for problem resolution, constitute the research problem as practical and interpretative in the Habermian sense of knowledge-constitution (Habermas, 1987, McCarthy, 1985, Wilimoft, 1997). This impels a significant point of departure from the causal-explanatory regime, for the study does not attempt to constitute the enquiry as technical or instrumental.

[2] This study was conducted at the level of population. The province of Kwazulu-Natal (KZN) was selected for explorate analysis, because of the nature of the region. This is elucidated in sub-sub-section 1.5.2.1.

What is clear, empirically, is an effect. It is observable in the form of trends in citizen wellbeing, regarded as a function of the social development effected by contracted civil society on the state's behalf. Less clear by far, is the cause. It is intuited that the social development modality of government, constitutionally mandated and arising as legislated and regulated contracting of civil society capacity, is an improbable proposition. The objective of this enquiry is therefore to interrogate the evidence to the end of concluding the validity or invalidity of government's proclaimed social development modality. The task is therefore to abduce the cause from observed effect, and this requires situating the enquiry in an appropriate scientific approach.

Paul Feyerabend, a declared anarchist, is considered by detractors to perform a disservice to science in his criticism of scientific rigidity and inflexibility. Yet, he persuasively submits that history demonstrates the regular contradiction of there existing a set of "absolutely binding principles for conducting the business of science" (Feyerabend, 1993, pp14). Feyerabend's essays, first published in 1975 as *Against Method* were compiled as a treatise railing against the infelicitous neglect of holistic scientific reasoning. He writes, for example, in the preface of the third edition of his work that "… Kuhn's masterpiece played a decisive role. It led to new ideas. Unfortunately it also encouraged lots of trash" (Feyerabend, 1993, ix).

Collins points out that Kuhn's masterful observations were not original – they were preceded by "Peter Winch's (1958) *Idea of a Social Science*" (Collins, 2012, p420), with Winch drawing clear distinction between "normal and revolutionary science" (Collins, 2012, p422). The point to be made is not that Kuhn had plagiarised Winch's theoretical observation, nor that the limitations of knowledge sharing in the pre-digital era ensnared Kuhn into his apparent ignorance of, and hence failure to acknowledge Winch's idea. It is that knowledge advances both incrementally and anarchically.

While the research elaborated in this report is neither necessarily anarchic or revolutionary it is, however, counterintuitive, supplementing the knowledge commons by interrogating that which literature review reveals we had hitherto not thought to question. It represents an employment of Roy Bhaskar's Critical Realism, emerging in *A Realist Theory of Science*, first published in 1975 (Bhaskar, 2008). Critical Realism, as an interpretation of transcendental realism (contrasting with categorical idealism and categorical realism) represents an evolution of the Pragmatism of John Dewey and Charles Sanders Peirce. [3] It is possible to distinguish "empirical realist ontology, characterized by observed, atomic events [from] idealist ontology, characterized by entities constituted entirely by discourse (etc.)" (Fleetwood, 2014, p183). A dispositional, or critical realism, "emphasises the logical, epistemological

[3] The pragmatic ontological perspective is elaborated in section 5.2 of chapter five, addressing the meta-theoretical considerations of this research. The evolution of Dewey's Pragmatism is elaborated there.

and ontological priority of the *possible* and *implicit* over the actual and explicit, opening the way for a concept of irreducible novelty or *emergence*" (Hartwig, 2008, xviii, original emphasis).

Where quantitative data analysis in the positivist tradition emphasises categorisation and certainty, Critical Realism, comfortably indulging mixed methods research, entertains "*interpretation*, and *critical evaluation*" (Fleetwood, 2014, p182, original emphasis). As Hartwig (2008) puts it, the possible and the implicit. This 20th century evolution of Pragmatism is accentuated by Morgan (2014) to represent a philosophical system with "immediate practicality for issues such as research design" (Morgan, 2014, p1), distinguishable from "the older philosophy of knowledge approach … which understands social research in terms of ontology, epistemology, and methodology" (Morgan, 2014, p1).

Where extant theory cannot be relied upon to support formulation of a likely explanatory hypothesis, and particularly where the data is in fact the conclusion, the alternate inferential logic is that of abduction. Fann explains this as the alternate form of ampliative reasoning, referring to nineteenth century philosopher and scientist Charles Randall Peirce's treatment of "inference, and hence abduction, as an evidencing process" (Fann, 1970, p9). Fann continues, to cite Peirce in that abduction "supposes something of a different kind from what we have directly observed, and frequently something which it would be impossible for us to observe directly" (Fann, 1970, p9). In discerning deductive inference from inductive inference, Fann explains that: "In explicative inference the conclusion follows from the premises necessarily while in ampliative inference the conclusion does not follow from the premises with necessity" (1970, p7).

While unusual perhaps to declared positivists, the pragmatism of Critical Realism is all the more likely to give rise to authentic discovery. Hanson's 1958 *The Idea of a Logic of Discovery* (as with Winch's 1958 *Idea of a Social Science*), preceded Thomas Kuhn's 1962 treatise on *The Structure of Scientific Revolutions.* Hanson's views on the logic of discovery were eruditely expanded upon by him in 1971. He pointed out:

> *Aristotle (Prior Analytics, II, 25), and Peirce (Collected Papers, I, Sec. 188) hinted that in science there may be more problems for the logician than just analyzing the completed arguments supporting already-invented hypotheses. But contemporary philosophers are today unreceptive to this.* (Hanson, 1971, p288).

Schon (1959), writing in critical support of the original 1958 Hanson thesis, emphasised Hanson's "distinction between the logic of proof and the logic of discovery as they apply to scientific hypotheses" (Schon, 1959, p500). There is also a pugnacious refutation of the hypothetico-deductive method, expressed by Hanson (1958) and defended by Schon (1959). Hanson wrote: "Natural scientists do not 'start from' hypotheses. They start from data. And even then not from ordinary commonplace data –

but from surprising anomolies" (Hanson, 1958, p1081). Similarly, Feyerabend (1960), underscored that:

> *It is conceptual possibilities we must investigate when we want to understand science or knowledge in general, and not "facts," "results of observation," and the like.* (Feyerabend, 1960, p247, original emphasis).

To Hanson, the stipulation of hypotheses is an exercise in logic in and of itself:

> *Contemporary logicians of science have described how one sets out reasons in support of an hypothesis once it is proposed. They have said almost nothing about the conceptual context within which such an hypothesis is initially proposed.* (Hanson, 1971, p289, original emphasis).

Writing in exasperation of the obstinacy and perceived intransigence of the positivists of the day, Hanson went on to comment: "For Peirce, the work of Popper, Reichenbach and Braithwaite would seem less like a *Logic of Discovery* than like a *Logic of the Finished Research Report*" (Hanson, 1971, p289). There is a modern-day perspective that (pragmatically, it must be said), underscores the sense and sensibility of abductive inference to the best explanation in the production of finished research reports. Walsh (2013), elaborating on research misconduct, underlines selective data manipulation (including selection of data to support a hypothesis) and so-called HARKing,or Hypothesising After the Results are Known.

Emphasising the scale of the misconduct, she proposes grounded theory as a scientific approach to precluding what must be presumed to be pressure to deliver conjecture based on hypothetico-deductive methodology:

> *Presentations of most so-called quantitative positivist studies published in the mainstream management literature start with a literature review that leads to hypotheses, which are subsequently tested. This linear design is quite acceptable if it relates an empirical research study accurately and truthfully, to the way it actually happened. However, Bedeian et al.'s (2010) results show that this is rarely the case, in that hypothesizing often occurs after the data have been collected and results from statistical analyses have been obtained.* (Walsh, 2013, p52).

The emphasis of Peirce's abduction, Fann (1970) is at pains to point out, removes the emphasis on certainty alone, introducing instead two objectives: achieving a reasonable degree of certainty, whilst bringing about a usefulnes, a fruitfulness, that Peirce regarded as "esperable uberty, or value in productiveness … thus from deduction to induction and to abduction the security decreases greatly, while the uberty increases greatly" (Fann, 1970, p8).

The objective of this research is to endorse or invalidate the prospect of social workers in the employ of civil society substantively addressing social development fundamentals, operating at the behest of social workers in the employ of the state. To this end, it is considered an acceptable trade off to sacrifice an element of security, or certitude, in exchange for an authentic declaration of finding that will guide scholars, policy makers, civil society and benefactors alike, in determining optimal resource allocation in the pursuit of elevated social development.

1.4.3 Research rationale

It is contended that understanding the spatial relationship that civil society's welfare sector bears to geographic dispersion of citizen vulnerability, advances our understanding of how to improve overall public sector-led (yet civil-society executed) service delivery. The civil society actors contracted by the state are in the field of play, while government spectates from the side lines. If government is in the game as cheerleader and not as coach, the selection of contracted NPOs could lead to a game mismatch. The implications are severe: alleviation of citizen deprivation would be both accidental and incidental. Accidental, because government's direction of the welfare space game could only be evaluated, by construction, as uninformed; incidental, because uninformed playmaking would effect insignificant outcomes.

However, this remains conjectural until it is established as justified true belief. This can only be achieved by subjecting this conjecture to empirical review. Should analysis of the outcomes-effectiveness of government's social development modality demonstrate negligible impact on citizen ill-being, then it would emphasise that a rational, arguable inference to the best explanation, that government's modality is an implausible planning solution to ill-being. The second phase of the research therefore interrogates the modality of state funding of welfare service provision, similarly closing the gap in our understanding of a context where government actively encourages the NPO sector to share government's burden of public sector service delivery, but only in an autocratically subordinated capacity.

This research does not attempt to solve the shortcomings in the state's modality, for that is beyond the scope of initial, exploratory analysis. However, the study represents a systematic, methodologically sound and deliberate unpacking of the two principal phenomena: the spatial relationship of welfare NGOs generally, and state-contracted NGOs specifically, to the intensity of geographic dispersion of human ill-fare, and impact of government-directed but contractor-executed state social development, accomplished by the contracting of NGOs.

In so doing, the study establishes a definitive frame of reference by which:

a) the state may elect to refine its approach to alleviating ill-being,
b) the NGO sector may more astutely enter into contracting relationships with the state,
c) institutional and individual donors may more discerningly elect to close the funding shortfall of NGOs that offer contracted welfare services at the state's behest, and
d) scholars can proceed incrementally with further exploratory, explanatory and descriptive enquiry.

Phillips and Pugh (2015) contend that doctoral scholarship determines the professional researcher's standing in their peer group. They emphasise doctorateness as a function of command of a chosen subject area, an appreciation of peers' research in the area, and an accompanying discretion that guides the candidate's gauge of where best to make a worthwhile contribution. These qualities are adjudged to evolve from a professional technical skill set, knowledge of and mastery of appropriate research techniques, and an ability to communicate the results of one's research in an effective manner. Attia and Edge (2017) refer to this as researcher congruence, and describe it thus:

> *The on-going search for researcher congruence entails realising a fit between the professional principles that we declare and our actual professional behaviour. It also entails an openness to new ways of being and knowing through the development of original research methods that still confirm the values that we most prize. It entails, too, the expression of our personal values, along with the use of our personal skills, in our professional lives and vice versa. As researchers, we are hoping to achieve a sense of wholeness as people-who-research, where how we seem is how we are and what other people see is what they get. This overall goal is what we have termed congruence.* (Attia and Edge, 2017, p37, original emphasis).

The conceptualisation of this research enquiry was prompted by the author's first-hand observation of welfare-sector civil society functioning and NPO management at the levels of governance, strategic management and financial management. The comprehensions that this experience renders is regarded as essential for undertaking insightful research, especially when the research represents an exploratory foray into a domain bereft of corroborated qualified insight. The nuance, the exquisite detail, which could escape the attention of a subject area novice, is less likely to escape a practitioner's scrutiny. In the manner of Dewey's description of "inquiry as a process of self-conscious decision making" (Morgan, 2014, p3), this study represents self-assessment and formal enquiry. The former to test the veracity of the author's views, the latter to share the consequential authenticated insights as valid and relevant commentary, apposite for enhanced and evidence-based decision making by practitioners, professionals and public servants.

1.5 CONSTITUTING THE ENQUIRY AS PROCEDURE AND METHOD

1.5.1 Modes of research in the two phases of enquiry

The research problems as identified, establish the overarching quandary as an inadequately researched field of indistinguishables. Research either explores, explains or describes phenomena. This research, unpacking as it does the constructs detailed in the conceptual map (see figure 1-2), is explorate. It is intended that the relationships interrogated by the two primary research questions of the two research phases, be more thoroughly investigated and replicated beyond this study, in which case the mode of enquiry will metamorphose into descriptive and explanatory research paths.

While "data, evidence, and rational considerations shape knowledge" (after Phillips and Burbules, 2000, in Creswell, 2014, p7), as Creswell put it: "pragmatism as a worldview arises out of actions, situations, and consequences rather than antecedent conditions (as in post positivism). There is a concern with applications - what works - and solutions to problems" (2014, p10). Seeking to derive 'solutions to problems', this research is consequently undertaken as a quantitative, cross-sectional, correlative design in the first phase, and as a quantitative, time-series design exploiting regression, in the second phase. The second phase enjoys an embedded qualitative component, insomuch as exploring the qualities of the state-civil society relationship modality of the second phase enquiry is set in abduction, not the induction and deduction of the respective schools of constructivism and (post) positivism.

1.5.2 Research procedures

This sub-section briefly describes the methodological research procedures, thorough explication being reserved for chapter six. The first phase of this study plots KZN provincial welfare-NPO geographic dispersion against a profile of provincial deprivation, ranked by municipal district. The population census provides broad data across provinces and municipal districts and is not fit in raw state to be subjected to correlational analysis. This data requires manipulation to derive an index of deprivation, establishing an ordinal data set suitable for analysis.

Determination of a suitable index immediately dismisses the basic analysis provided by poverty lines and the study leans towards the alternatives based on multiple factors of deprivation. While Posel (2014) and others (Posel & Casale, 2014; Posel & Hinks, 2013; Posel & Casale, 2011) suggest that self-reported well-being serves as an indicator of relative deprivation, Noble, Zembe and Wright (2014) not only conclude that deprivation remains concentrated in what were formerly known as 'homelands', but that this deprivation is similar for income-based poverty measures, as well as multiple-factor poverty measures. The Multidimensional Poverty Index (MPI) and the South African Index of Multiple

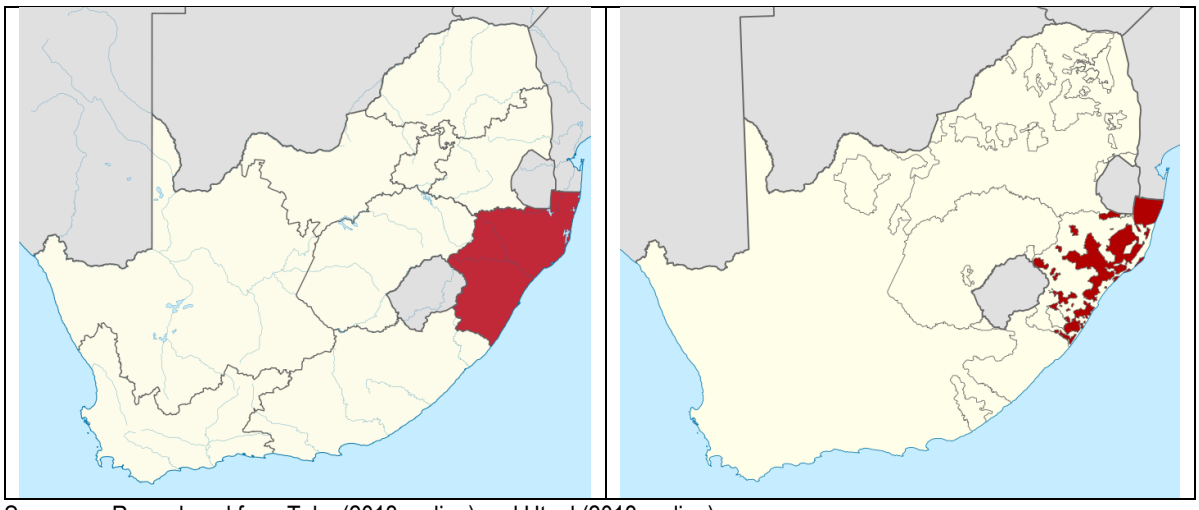
Deprivation (SAIMD) represent two examples of deprivation indices successfully employed in South Africa, with a unifying rationale that can be exploited to design a suitable device for this study.

The second phase of the study interrogates the modality of the relationship demonstrated by the first phase to exist between regional deprivation and the NPOs selected by government to provide welfare services on its behalf. This analysis was conducted as a time-series, commencing with the first available government disbursement data, reported in the DSD annual report for the year ended March 2013. An alternative instrument to measure deprivation was developed based on the availability of data for the years subsequent to the 2011 census.

1.5.2.1 Research site

Kwazulu-Natal (KZN), the boundaries of which encapsulate the territory recognised by the former, minority government regime as a 'black homeland', is a populous and deeply affected province demonstrating contrasting extremes of wealth and wellbeing, and abject income poverty and multi-dimensional deprivation. Figure 1-3 compares the present KZN provincial territorial composition brought into being in 1994, with the KwaZulu homeland territorial elements legislatively brought about by the minority government in 1977 (South African History Online, 2019, online).

Figure 1-3: The present KZN province compared with the former KwaZulu 'homeland'



Sources: Reproduced from Tubs (2013, online) and Htonl (2013, online).

A preponderance of evidence points to the 'former homelands' of pre-1994 South Africa reflecting sub-standard citizen wellbeing. Noble et al. (2014, p1) sum it up thus:

> *An analysis using data from the 2011 Census shows that deprivation … is still concentrated in the former homelands. Moreover, a very similar spatial distribution is found for poverty when*

the measurement is based on income. Apartheid's spatial legacy regarding poverty and deprivation remains one of the greatest challenges confronting South Africa.

Familiarity with this province and its character, carved post-1994 into eleven district municipal demarcations, and the origination of this enquiry as an exercise in applied organisation and management study, prompted selection of KZN as the research site. Practitioner interest aside, contextual familiarity suggests KZN is a prime research site to pilot instrumentation and procedure for replication at national level.

1.5.2.2 Populations of interest

The goal at commencement of the study was the establishment of the scope and nature of the relationship between socio-economic disadvantage in KZN and the distribution of NPOs in the province. Given that the working hypothesis establishes the units of analysis as NPOs regionally distributed throughout KZN, and the welfare services district beneficiary populations in the province, this rendered the units of observation the district distribution of NPOs and the district indices of deprivation.

In the interests of completeness and comprehensiveness, the research was undertaken at the level of population study. The data for the populations of interest are available in the public domain and little interest is served in attempting sampling of either deprivation or the KZN population of the South African universe of registered NPOs. This logic holds true for the second phase of the study.

The populations of interest are:

- The population of registered NPOs in KZN (Phase one).
- The citizens of KZN, distributed in eleven municipal demarcations, who may be regarded as deprived (Phase one and phase two).
- The population of NPOs selected by the DSD in KZN to contractually undertake welfare service provision (Phase one and phase two).

1.5.2.3 Data sources

Table 1-4 summarises the study data sources, the data requirement being defined by the problem statements of the two study phases. Three principal sources of data were required by the study, as explained in section 1.5.2.2.supra, being deprivation experienced by KZN citizens, registered non-profit welfare organisations, and government disbursements to contracted representatives of this group. Both study phases were carried out as population studies in the province of KwaZulu-Natal. The necessary

data availability for the first study phase, conducted as a cross-section, coincided in an eighteen-month window between October 2011 (the most recent census enumeration) and March 2013, representing the end of the annual operating year of the DSD. The first NPO registration data were availed to the public in April 2012. The second study phase, conducted as a time-series analysis, relied on deprivation data and funded-NPO data. This restricted the time-series to a five-year period, with the most current data on government disbursement to NPOs being availed in the KZN DSD's annual report for the year ended March 2017.

Table 1-4: Summary of data requirements and data sources for two study phases

	Data sources		
	Deprivation data	**Registered welfare NPOs**	**DSD disbursements to contracted NPOs**
Phase one	October 2011 Census (StatsSA)	NPO Directorate register of NPOs	2012/13 KZN DSD Annual Report (DSD)
Phase two	October 2011 Census and 2016 Community Survey (both StatsSA)	Not required	DSD Annual Reports for five years from the base year 2012/13, to 2016/17

Deprivation is the self-reinforcing consequence of social exclusion and a lack of social mobility. These features of a deprived existence arise because of income poverty, resource poverty and an alienation from resource acquisition, in what is arguably a function of both circumstance and agency. This perspective is elaborated in chapter four). Measuring deprivation consequently requires a comprehensive, dimension-rich instrument that can reach beyond unidimensional income-poverty measurement. The essential South African source of such data is the census, the most recently conducted enumeration dating to October 2011, the report published in early 2012.

International standards dictate that a census be undertaken about every ten years (United Nations, 2013). To this end, the South African population was enumerated in 1996 following the election of the country's first democratic government, and again in 2001 and October 2011. The census does not provide a purpose-made tool for measuring disadvantage; both phases of the study employ a researcher-devised multi-dimensional deprivation measurement instrument. The first phase instrument is based on the 2011 census enumeration, the census providing a rich source of data across multiple dimensions of deprivation including income sufficiency, material sufficiency, access to infrastructure, and employment.

For the second, longitudinal study phase, an alternative measure of deprivation was devised using the StatsSA community survey data of 2016. This data source can be thought of as an interim, and abridged, mini-census. It consequently does not permit the rich depth of the first phase instrumentation, hence obligating the design of an alternative deprivation measure. It is emphasised that although this is

nominally distinct from the first phase, data treatment and analysis within the second study phase is consistent. Interpolation established data points for the intermediate years (between the 2011 census and the 2016 community survey) of the time-series analysis of the second study phase. [4]

The third data category is annual government disbursements to contracted welfare NPOs. This data has been shared with the public commensurate with the release of the KZN DSD annual report for the fiscal year ended March 2013, and annual disbursements have been published in the annual reports since that point.

1.5.2.4 Data preparation

It was necessary to standardise the data to enable analytics, intra-time-series consistency of analysis and inter-regional comparability. In the first study phase, NPO data was availed as a Microsoft Excel file. This enabled worksheet manipulation in Excel and the national record of 80 000+ registered NPOs was filtered to isolate the KZN welfare NPO entities. This data file was progressively filtered to clean the file of duplicate entries and to exclude from analysis non-welfare NPOs. The progression of interrogation [5] necessitated conversion of native pdf file format record of government disbursements in the period ended March 2013, to Excel file format. This scraped data was similarly subjected to filtering in Excel, exploiting the software worksheet functionality.

While the first phase analytics could be undertaken in Excel, the second phase analytics proceeded in Stata Version 13.0. Stata was used to iteratively cross-tabulate the five years of government disbursements derived from pdf file conversion (read with Adobe Acrobat) to Excel file format. From this process of data cleaning and filtering, emerged the study second phase Excel-formatted master data file of government disbursements for the five-year time-series, compatible with Stata file-upload requirements.

1.5.2.5 Development of deprivation-measurement instrumentation

The first phase of the study entailed measuring the spatial association of the incidence of registered welfare NPOs, with the incidence of deprivation occurring in the eleven municipal district demarcations in KZN. A multi-dimensional deprivation instrument was developed to measure municipal-level deprivation prevalence, leveraging the principles prominent in the deprivation literature subjected to systematic review. [6] This study instrument was validated by testing for association with the South

[4] This treatment assumes a linear relationship, resolved by logarithmic conversion of annual Δ deprivation.
[5] See investigative question 1.4, in table 1-3.
[6] The deprivation literature is reported in chapter four, and the study instrument is elaborated in chapter six.

African Index of Multiple Deprivation (SAIMD) developed by the Southern African Policy Research Institute (SASPRI). The SAIMD instrument is similarly based on 2011 census data. [7]

The second phase of the study entailed regressing the time-series incidence of government disbursement to contracted welfare NPOs to determine the functional impact of what is alleged by the DSD as social development expenditure, on deprivation prevalence. The linear extrapolation of 2001 through 2011 census deprivation elements was adjudged an unreliable measure of deprivation for the time-series period (there being no reasonable basis to assume a linear trend in change in citizen wellbeing over the time span 2001 to the 2016 calendar year). Hence, a second, distinct measure of deprivation was developed for the second phase of the study, exploiting the national 2011 census and 2016 community survey, both conducted and reported by Statistics South Africa. The study second phase problem statement and determined interrogation, is developed from the findings of the first phase but is not methodologically dependent upon the first phase research procedures. The development of a second, distinct instrument for the second phase does not, therefore, represent any departure from the reasoning underpinning the origination or operationalisation of the study taken as a whole.

The second phase deprivation instrument was developed from the deprivation data availed by StatsSA in the form of the 2016 Community Survey, conducted between March and May 2016. This survey represents the single most thorough population enumeration outside of the decennial census. The instrument developed for the study represents an abridged measure of deprivation prevalence, suitable for interim accounting of deprivation. The instrument was validated by testing for association with SASPRI's 2011 SAIMD, and the first study phase deprivation instrument.

1.5.2.6 Data analysis

The first phase of the study entailed testing for association to determine the direction and strength of correlation, of a relationship between the registered welfare NPO sector in KZN, and the prevalence of deprivation in the province, as a cross-section of what may be considered the 2012 calendar year. This analysis utilised census data qualifying the incidence of deprivation, to establish an index of deprivation and an ordinal ranking of the deprivation phenomenon arising in KZN. The corresponding variable was the geographic dispersion of registered welfare NPOs in KZN, established from the raw data available from the DSD in the form of a database of registered NPOs.

The raw data records registered NPOs, their registered geographic locations [8], and descriptors of their main objective, sector, and the primary theme of their assistance. Convention with respect to the

[7] The SAIMD instrument is explained in chapter four, sub-sub-section 4.5.5 .
[8] NPOs are obligated to register (with the NPO Directorate) the operational entity contracted by the DSD, within the geographic region where it is intended by the state that service to citizens is rendered.

classification of NPOs (Salamon and Anheier, 1996) enables the systematic dissection of the government register of NPOs as at 25 April 2012 (DSD, 2012) to devise an ordinal data set of welfare sector NPOs registered across the eleven KZN districts. Hence, the two primary data sources may be regarded as having been recorded or devised or constructed, within six months of each other. This is not a material temporal difference when the extent of the data sets - both being a census of the respective data populations - is considered.

In a series of four iterations, interrogation of the data proceeded as follows:

- The first investigative question entailed establishing the scope and quantum of KZN NPO sector activity, according to international NPO classification. [9] The raw nominal data was rearranged as a quantum of NPOs per by district, rendering an ordinal data set. The data was subjected to descriptive statistical analysis. [10]
- The second investigative question sought to isolate and identify the geographic distribution of NPOs in the eleven districts of KZN. This ordinal data was also subjected to descriptive analysis to illustrate distribution of NPOs by district. [11]
- The third investigative question sought to isolate and identify discernible socio-economic characteristics of each of the eleven KZN districts. A suitable multiple-factor index of deprivation was developed and administered, reducing the raw nominal data to an ordinal deprivation measure. [12]
- Finally, the strength and direction of the linear pattern of association between contracted welfare NPOs and municipal district demarcated deprivation prevalence was assessed using Pearson product-moment correlation. However, no *a priori* assumption can be made as to the determinism of one variable upon the other. [13]

The second study phase set out to evaluate the state's funding modality, by determining whether any predictive relationship can be identified between the incidence and prevalence of deprivation exhibited in the eleven KZN provincial districts, and the pattern of disbursements to contracted welfare NPOs exhibited over a five-year time series. This proceeds in three steps:

- The change in KZN's regional deprivation intensity over five years was measured from the base year of 2012/13, using instrumentation developed for this purpose. [14]

[9] This classification is explained in chapter three, sub-sub-section 3.5.1 .
[10] Undertaken in sub-section 7.2 of chapter 7 (general population of registered NPOs in the province) and section 7.3 (in respect of the population of NPOs contracted by the DSD).
[11] Undertaken in sub-sections 7.2 and 7.3.
[12] See sub-sections 7.4 and 7.5.
[13] Correlation analysis is recorded in sub-section 7.6.
[14] See sub-section 8.2 in chapter 8.

- The quantum and categorical allocation of funding to contracted KZN welfare NPOs over five years measured from the base year of 2012/13 was determined. [15]
- The state's annual social welfare categorical funding allocation in KZN was regressed in the eleven district municipal demarcations, to discern the strength and significance of the impact of this spending on regional deprivation intensity. [16]

1.5.2.7 Significance thresholds

Significance thresholds (reflecting convention within organisation and management, and development studies research) selected for this research are recorded in table 1-5.

Table 1-5: Significance thresholds selected for this research

Phase	Indicator	Significance threshold
First phase	Correlation coefficient	Where $r \geq 0.90$, association is considered very high Where $0.70 \geq r \leq 0.89$, association is considered moderate Where $r \leq 0.69$, association is considered weak
Second phase	Coefficient estimate	The minimum threshold for statistical significance of the parameter estimates , is where $\alpha = 0.10$ $p > \|t\|$ must be ≤ 0.10 for the estimate to be considered statistically significant
	Coefficient of determination	$p > \|F\|$ must be ≤ 0.10 for the estimate to be considered statistically significant

1.5.2.8 Validity and reliability

Validity is a function of procedural operationalisation of research constructs and it is essential that this study is validated, and designed as dependably replicable, in a South African context. To this end, content validity has been operationalised according to a methodically devised conceptual map. Concurrent validity has been operationalised by rigorously adhering to the universally defined categorical ontology of the non-government sector, and the ontology adopted in South Africa for distinguishing deprivation, based on a multiplicity of factors symptomatic of social exclusion. The

[15] See sub-section 8.3.
[16] The form of the regression model and the results of fitting the model are recorded in sub-section 8.4.

thresholds adopted for assessing the significance of correlation and regression statistics, support the predictive validity of the analysis.

The census enumeration processes (both data collection and post-enumeration data checking) can be reasonably expected to ensure valid data reporting. The NPO data forming the backbone of the ultimate outcome of the first study phase, and the focused enquiry of the second phase interrogation of contracted NPOs, is scraped from government annual reports. These reports are subject to validation by the Auditor-General. Data preparation has been methodically undertaken and documented, suggesting dependability and replicability.

The NPO population of interest in this proposed study is well defined and the criteria for inclusion similarly so. Hence, the interpretation of the results are considered applicable and generalizable, based on the stringency of criteria for inclusion or exclusion, a construal supported by clinical researchers Hulley et al. (2007).

Generally, the adherence to scientific method and procedure supports the credibility of the quantitative findings. Adherence to transparently and comprehensively explained procedure, enables a) replication of the study in other universe provincial populations, and indulges b) generalisation of the factual outcomes, reasoned theoretical outcomes and conceptual conjecture.

1.6 REPORTING THE ENQUIRY

This research report is compiled in ten chapters, commencing with this introductory chapter. The organisation of the report proceeds largely according to management science conventions. Within that convention, however, the review of literature prompted by the study conceptual framework is systematically ordered to illustrate the waterfall of meta-context, macro-context, meso-context and micro-context. Further, the literature review is conducted in the style of a realist, narrative overview, the goal being provide “a comprehensive narrative synthesis of evidence” (Noble and Smith, 2018, p40) with a “focus on understanding mechanisms” (Noble and Smith, 2018, p40).

Accordingly, chapter two commences a review of the constructs underpinning the conceptual architecture of the study, by establishing the foundations of social policy generally, and extending understanding to the origins of social policy in South Africa. This contrasts the welfare narrative of the former, pre-1994 government with the espoused social development social policy narrative of the post-1994 government. This serves to isolate and identify the meta- and macro-contexts, where ideology and political agency coincide to determine strategy. The chapter concludes with appraisal of the

discourse addressing developmentalism as alleged foundation of South African social policy. Distilling the essence of espoused South African developmental welfare, enables conjecture in the report discussion of the integrity of this position, when viewed against the evidence.

Chapters three and four advance, respectively, the meso- and micro-context domains of execution and outcome. Chapter three reviews the construct of civil society, tracing the origin of this concept through the birth of the NGO nomenclature dating to the beginning of the last century. Evolution of NGOs is traced temporally to the emergence of the nomenclature of the NPO, originating very recently in the latter years of the last century. The incipient threat posed by the state's growing control of this substantial component of civil society concludes chapter three. As with the previous chapter, this contributes the necessary foundation for advancing the conceptual conjecture flowing from this research.

Chapter four dissects the generally accepted understanding of the construct of deprivation, viewed as an interplay of economic and social marginalisation. The chapter establishes the frame of reference by which the study's research methodology is able to devise the necessary instruments for measuring citizen deprivation, utilising the 2011 National Census of Population data in respect of the first phase of the study, and 2016 Community Survey data for the second study phase.

It should be noted that the three review chapters do not represent a systematic critical review. The 'evidence' does not take the form of quantitative outcome of empirical analysis, conducted in the cause of hypothetico-deduction. Rather, the evidence avails in the form of opinion and judgement, documented by authors over (as it transpires for this research) a century of appraisal, discernment, and considered opinion. While this would not be considered unusual in a pure social science setting, the location of this research in the portfolio of organisation and management thinking renders the literature review as undertaken, unconventional. Nor has the research question been deliberated as an exercise in closing gaps in the literature. While it is held that the research evidence and interpretation most certainly elevates and enhances scholarly understanding, the broad research question has not been asked hitherto and hence represents an original interrogative trajectory.

The appraisal of literature undertaken in chapters two, three and four, consequently represents a realist integrative narrative form of review (see Noble and Smith, 2018 and Tavares de Souza, Dias da Silva and de Carvalho, 2010). The objective of a realist appraisal of literature is noted as providing "an explanatory analysis aimed at discerning what works for whom, in what circumstances, in what respects and how" (Pawson, Greenhalgh, and Harvey, 2005, online).

> *The results of the review combine theoretical understanding and empirical evidence, and focus on explaining the relationship between the context in which the intervention is applied, the*

> *mechanisms by which it works and the outcomes which are produced. The aim is to enable decision-makers to reach a deeper understanding of the intervention and how it can be made to work most effectively.* (Pawson, Greenhalgh, and Harvey, 2005, online).

Necessarily narrative (see Mitchison and Mond, 2015), the review undertaken in the three chapters seeks to summarise prevailing classification schemes and instrumentation, data where available and relevant focus on particular issues that impact on the relationship exercised by the South African government in contracting third party service providers in a modality intended to give effect to government's social development mandate. Where gaps in the knowledge base are revealed, recommendations for necessary research is recommended. It is acknowledged that such a review will not deliver solutions to what is argued as a complex, 'wicked problem', but that is not the focus of the research. In the words of Mitchison and Mond (2005, online): "It is argued that, given the multiple challenges involved in research of this kind, a focus on features is more likely to advance the field than a focus on diagnoses."

The three chapters, two to four, read together, provide an account of the interplay of the three components of social policy, civil society and deprivation. Read in isolation, each chapter is tendered as sufficient such that the primary and prominent elements and perspectives required to deliberate a coherent and rigorous methodological design, are rendered. Chapter five proceeds on this foregrounding to document the meta-theoretical considerations that couch the researcher's worldview and hence inform both the research design, and research methodology.

Chapter six reports the research design devised to consider the problem statements of each of the two phases of the investigation. Given the nature of the evolution of this study, each phase necessitated the development of suitable instrumentation. Each of the two instruments, while strongly related may be considered independent and developed as fit for their specific purpose. The first phase of the study exploited a cross-sectional design in exploring the presence of a modality. The data analysis and findings of the first wave are recorded in chapter seven. These findings constitute what may be regarded as the preliminary conclusions of the study first phase, and informed the development of the second phase problem statement. The distinct approach mandated in the second phase by virtue of the time-series design, prompts a distinct chapter to document the second phase data analysis and findings, manifesting as chapter eight of this report. This chapter is reserved for the findings in fact, while the evidence of the respective phases of the study are brought together for discussion as the matter of chapter nine, proposing conjectural conceptual conclusions. Chapter ten brings the report to a close, summarising the goal of the research, the design and methods, findings and interpretation, and emphasising the resolution of the research problems of each research phase.

1.7 ETHICAL CONSIDERATIONS

This study presents two potential areas for ethical concern, arising in the respective processes of data collection and data treatment. In respect of the first area of concern, all data sources for this study are documents existing in the public domain – hence no gatekeeper permission is compelled. The study design precludes individual and organisational participation and researcher interaction. University of KwaZulu-Natal institutional protocol was observed by making application to the University of Kwazulu-Natal Humanities and Social Sciences Research Ethics Committee for exemption from ethics review. Full no-risk approval was granted in December 2014, protocol reference number HSS/1590/014M in respect of the first phase of research and in November 2017, protocol reference number HSS/2172/017D in respect of the second phase.

In respect of the second area of concern, data treatment, it is emphasised that conducting the enquiry at the level of population precludes opportunity for either accidental or deliberate data selection. The data is drawn from government sources, and hence in no way exposed to researcher data contamination. The three populations of interest (see sub-sub-section 1.5.2.2) are subjected to quantitative analysis, the significance thresholds for which are both aligned to convention and specified in advance (see sub-sub-section 1.5.2.7). The limited embedded qualitative data analysis component (of the second research phase) is transparently reasoned. Data treatment is scrupulously methodical, comprehensively objectively explained and documented, and hence dependably replicable.

1.8 RESEARCH LIMITATIONS

Study limitation are understood as "characteristics of design or methodology that impacted or influenced the interpretation of the findings from your research," according to the University of Southern California [USC] (USC, 2019). Echoed by Brutus et al. (2013), Pasek (2012) and numerous others, USC add that research limitations are:

> *Constraints on generalizability, applications to practice, and/or utility of findings that are the result of the ways in which you initially chose to design the study or the method used to establish internal and external validity or the result of unanticipated challenges that emerged during the study.* (USC, 2019, online).

It is contended, however, that the deliberate choice to conduct the study (in both phases of the research) at the level of the KZN population of the South African universe, for both variables of interest, nullifies the potential bias that could have manifest had the population variables been sampled. Nevertheless,

the identified limitations are acknowledged, the implications of the limitation on the quality of data analysis considered, and potential further research to determine the level of risk is prospected, in this section. In the interests of brevity yet completeness, and with a view to focusing the reader's attention, the three perspectives are condensed in tables 1-6 and 1-7 respectively, for each of the two phases of research enquiry.

Table 1-6: Summary of study methodological limitations identified in respect of the first phase of research, with implications and proposals for further research enquiry

Phase	Methodological limitation identified	Implications of identified limitations	Prospects for further research foci
One	Registered NPOs could operate in jurisdictions distinct from their registered office, which would be unaccounted for by the study methodology, where registered office postal codes have been used to assign NPO activity to district municipality locales.	The first phase study methodology does not account for activity conducted outside of the registered office district municipal boundary. However, it is contended this potential influence is limited by virtue of the study being conducted at the level of the provincial population.	Notwithstanding the methodology being thought to be sufficiently robust to negate the impact of 'extra-jurisdictional operation', there is merit in sampling the NPO population to establish the incidence and hence possible influence, of such a phenomenon.
One	The number of registered NPOs has dramatically increased in the six years since the issue of the first NPO register, but the number of NPO contractors has demonstrated relative stasis.	Were the first phase of the study to be repeated contemporaneously, a very different picture would emerge. However, this is unlikely to impact on the principal research question of the first phase, because the total quantum of registered NPOs is reduced for analysis to the quantum of funded NPOs, which demonstrates stasis.	Repeat the cross section first phase of the study and evaluate the differences, identifying whether this challenges the findings of the current study.
One	Limiting the scope of the study to the interaction of the component of civil society contracted by the DSD, necessarily neglects the component of civil society that may be contracted to address social development (as contended by the DSD), by other agencies such as the National Development Agency (NDA).	The first phase of the study establishes spatial proximity of welfare sector NPOs to the KZN population of deprived persons and this analysis and findings are not impacted. However, the second phase, analysing the change in deprivation that can be confidently predicted by the DSD's funding modality, could be affected at least, by parallel efforts to those of the DSD-civil society social venture.	The possible impact on the ill-being of the KZN provincial poor by the NDA's efforts per se, merit scrutiny. This research will demonstrate whether parallel efforts that have not been included in the scope of the current study, enhance the findings of the current research.

Table 1-7: Summary of study methodological limitations identified in respect of the second phase of research, with implications and proposals for further research enquiry

Phase	Methodological limitation identified	Implications of identified limitations	Prospects for further research foci
Two	The time-series analysis that is the cornerstone of the second phase is limited by data availability to only five years.	A five-year time-series has the facility to render any trend opaque, but this cannot be methodologically countered. However, it is contended that the exploratory nature of this research annuls this limitation. The scope of exploratory research seeks to discern patterns, not describe or explain them.	The 2012/13 fiscal year represents a base year, in that it is the first year that the KZN DSD commenced transparent and complete reporting of NPO funding. Congruent with publication of the 2021 Census data, the second study phase time-series analysis can be repeated for the elapsed decade, to enhance the current study.

NPOs are relatively easily brought into being, and registration of an NPO with government apparatus is similarly straightforward. Registration with the NPO Directorate is commenced with lodgement of an application with the Directorate. Provided there are no contradictions of the conditions for registration imposed by the Directorate, registration and concomitant issue by the Directorate of an NPO registration number follows within two months (South African Government Services, 2014). The operating area of an NPO is defined and circumscribed in its founding Constitution. This area of operations could conceivably lie beyond the area in which the NPO is located. Hence, an urban NPO could conceivably provide service in a rural area.

The methodology employed in this study, by which the relationship between geographic disadvantage and NPO distribution in KZN is assessed, does not provide for analysis error arising from NPOs registered in a geographic centre – say, for example, in an urban area – conducting operations away from this centre, say in a rural area. However, this limitation is countered by the methodology circumscribing geographic location within the eleven municipal districts. It is conceded that this does not remove the prospect for error, but this error is not considered severe given that the analysis is conducted using the population of NPOs in the province.

Secondly, by virtue of the utilisation of NPO frequency as a proxy for scale of assistance rendered, it is possible to misconstrue limited incidence of NPOs as a paucity of assistance rendered. It is acknowledged that the existence of an NPO may belie the size and scale of service provision by the NPO and it is noted that the number of registered NPOs has dramatically increased in the six years since

the issue of the first NPO register. Utilisation of data populations and not samples, however, is raised as a partial defence at least, against this potential shortcoming, and the total quantum of registered NPOs is reduced for ultimate analysis to the quantum of funded NPOs, which demonstrates stasis.

Thirdly, limiting the scope of the study to the interaction of the component of civil society contracted by the DSD, necessarily neglects the component of civil society that may be contracted to address social development (as contended by the DSD) by other agencies such as the National Development Agency (NDA). The first phase of the study establishes spatial proximity of welfare sector NPOs to the KZN population of deprived persons and this analysis and findings are not impacted. However, the second phase, analysing the change in deprivation that can be confidently predicted by the DSD's funding modality, could be affected at least, by parallel efforts to those of the DSD-civil society social venture. However, the DSD is the primary development agency – the 'mothership' – and is the primary vehicle through which funds are mobilised and allocated to civil society in what the DSD asserts is social development. This limitation prompts an additional, subsequent research enquiry, to investigate the contributory impact on the wellbeing of the KZN provincial poor by the activities of the NDA.

Finally, it is acknowledged that the time-series analysis forming the cornerstone of the study second phase is limited by data availability to only five years. This has the facility to obscure the significance of a relationship between deprivation and the DSD's NPO-enacted anti-deprivation efforts, but this cannot be methodologically countered. The 2012/13 fiscal year represents a base year, in that it is the first year that the KZN DSD commenced transparent and complete reporting of NPO funding. Congruent with publication of the 2021 census data, the second study phase time-series analysis can be repeated for the elapsed decade, to support or dispute the findings of the current study.

1.9 SUMMARY: THE PURPOSE AND CONTRIBUTION OF THE STUDY

The non-profit sector serves as a tool in the state's armoury, through the Department of Social Development as an organ of state. In achieving its social welfare objectives, government relies heavily upon the service provision of the NPO sector, evidenced by the budget provision for NPO contracting that Budlender and Proudlock (2010) reveal ranges from 57% to 67% of budget allocation.

A dispassionate scrutiny of the status quo suggests that a level of veiled control is exerted over the sector, through the control of the registration and maintenance processes of NPOs, and contractual appointment of a very select few organisations where the DSD criteria for appointment are met. Hence, the ostensible independence of the NPO sector could be argued as a lie and to all practical intents and purposes, this sector's activities and achievements are substantially orchestrated by state machinery.

This notion is, puzzlingly I find, not only embraced wholeheartedly but in fact urged, by some civil society actors (Scott-Muller, 2015). Puzzling, because the commandeering of third sector resources by the state is anathema to the very idea of a civil society.

Puzzling also, because the extent to which this orchestration can be described as effective is unknown. While all NPOs are required to submit progress reports to the DSD's NPO Directorate, this is an incomplete, opaque and ineptly managed bureaucratic routine. M & E conducted by DSD district offices of NPOs within their jurisdiction is slipshod. A link has yet to be drawn between social deprivation and NPO distribution. Additionally, effort has yet to be invested in determining the objective effectiveness of the funding modality employed by the state in its employment of civil society in achieving welfare objectives.

Hence the resolution of these questions represents a contribution to the body of knowledge. The development of a census based multi-factor index of deprivation as undertaken in the first study phase supplements this, as does the development of the alternative index of deprivation based on the interim, alternative sources of population data arising in the period between census enumerations.

A definitive frame of reference is developed by which, as was remarked in section 1.6 supra,

a) the state may elect to refine its approach to alleviating ill-being,
b) the NGO sector may more astutely enter into contracting relationships with the state,
c) institutional and individual donors may more discerningly elect to close the funding shortfall of NGOs that offer contracted welfare services at the state's behest, and
d) scholars can proceed incrementally with further exploratory, explanatory and descriptive enquiry.

Reduced to a central value proposition, the single greatest potential contribution of this study vests in making explicit both the qualities and the effectiveness of the government-civil society relationship. This is deposited firstly into the academics' knowledge commons, in the quest to build an improved social order. Beyond the scholars' realm, the study is held to inform both social policy makers and commentators alike, beneficiaries, civil society actors and related stakeholders.

CHAPTER TWO

SOCIAL POLICY

2.1 INTRODUCTION

The two principal premises of this research surmise, without assertion, that state-funded yet NPO-delivered social service may be inappropriately indiscriminate, and that what is espoused as developmental welfare may have had negligible effect on the social developmental deficit inherited by the present government in 1994.

This is material in two ways. Firstly, if social service – the provision of welfare in the fullest sense – fails to reach deserving beneficiary populations because the circumstantial spatial distribution of welfare NPOs and deserving welfare beneficiaries is proximally uneven, then government's social development resource allocation must be concluded as ineffective. Secondly, if citizen deprivation is established as demonstrating scant change as a consequence of state-funded yet NPO-delivered social service, then the modality of state investment in social development will be shown to be not only ineffective, but also irrational. The first issue is interrogated by the first phase of this study. The second phase builds on the findings of the first phase and explores as thoroughly as possible based on the availability of government data, the rationality of DSD spending in KZN.

The purpose of this chapter is therefore to identify the dimensions considered to inform the welfare narrative, and to identify the understandings that underpin welfare architecture. The first step in this process is to establish a foundation of meaning of the concept of welfare. This is undertaken as a review of the prevailing understanding of the scope of welfare provision and of necessity, establishes a historical context. This illustrates the advance as well as contrast, that post-1994 welfare represents compared to the inherited welfare framework that the current ideologists sought to transform. It also elucidates the traditional understanding of the welfare construct, contrasting this with contemporary normative understanding of developmental social welfare, adopted as *de rigueur* by South African policymakers.

This conceptual perspective enables scrutiny of the practice of welfare, the activities that serve as backbone of welfare delivery within a policy framework. This element, section 2.3, records the activities that serve as social safety net, contrasting this with the developmental activities that may be regarded as therapeutic.

The third review element, section 2.4, situates the social welfare frame of reference in social policy. The scope of social policy is reviewed to establish the manner in which social policy evolves in response to the

evolving nature of social and economic interaction. This confronts the reality that social policy is a function of national politics, and a response to the adverse social and economic consequences of elevated global socio-economic interaction. Debate exposes the dissent in labelling South African social policy as developmental, the stated position of government since transition to democracy. This lack of consensus appears to arise primarily because of the extent to which the national welfare budget is devoted to cash transfers to vulnerable grant recipients. Profoundly, however, South African social policy may be concluded as contested terrain; while policy makers and their advisory experts regard policy as developmental, there is a body of opinion that holds that policy is, as practiced, fundamentally protectionist.

Hence, the fourth component of this systematic review (section 2.5) weighs the body of evidential opinion contemplating developmentalism as the alleged foundation of the South African welfare system. This chapter element considers the evidence as a contradiction between the desired outcomes of what the government refers to as developmental welfare, and the more pragmatic consideration of infrastructural and institutional limitations.

Section 2.6 provides a summary of the chapter, and isolates the implications that the principal themes identified, have for the design of the research. This chapter provides a meta- and macro-level frame of reference against which the meso-level operationalisation by government of welfare provision, predominantly achieved by contracting government-registered civil society constituents, can be reviewed, in the chapter following.

2.2 WHAT IS WELFARE?

The commonly pervasive understanding of welfare, is unconditional cash transfer to deserving poor. However, this is a limited interpretation and in fact misconstrues the fundamental intention of social protection in the fullest sense. While unconditional cash transfers to the impoverished is an execution of policy, and conventionally and popularly considered a cornerstone of democratic South Africa, it is only a component part of a wider definition of social service provision and policy stipulation.

Little (1973) observes that we understand the term ‘welfare’, indistinctly. He points out that Pigou’s The Economics of Welfare was, in 1920, the “most exhaustive and complete treatment of welfare economics, “published … almost 150 years after Bentham first enunciated his famous principle [of utilitarianism]” (1973, p8), the foundation upon which the notion of welfare finally came to rest. From the perspective of economic principle, changes in the welfare of a society was deterministic, economic welfare being

measurable by virtue of the military wells of a community. Ergo, increasing income is akin to an increase in well-being, hence the level of welfare.

While income has been and will always remain measurable, satisfaction, contentment or happiness, are only ordinally measurable, as element of what is conceived as a 'basket of satisfactions'. Measurement is rendered ever more complex when, by definition, the wealth of one person is greater than another's, if the marginal utility of money of the former is lower than that of the latter. Moreover, in the so-called basket of satisfactions, economic welfare, or income, comprises but one element. In the late 20th century understanding of this basket was better and more comprehensively articulated, ultimately giving rise to multi-dimensional indices of well-being (or the inverse, deprivation) as explained, developed and exploited by the research enquiry communicated in this report.

This broader, more comprehensive account of satisfaction, negates the usefulness of pursuing the notion of diminishing marginal utility, for this is pertinent only to money income. Furthermore, while income is itself recognised as an assemblage of goods and services enjoyed, human welfare is significantly derived from the enjoyment of public goods and services, where the price - and hence interpreted money income value - is indeterminable. The weighting, or proportion, of the basket or assemblage of goods and services enjoyed, by which life satisfaction as derivation of utility is determined, is also not constant for different members of a society. Economists likewise hold that satisfactions are not additive, and recognise that life satisfaction and well-being, are relative interpretations.

As described by Little (1973, p51):

> *The utilitarians imagined the mind to be like a well of known depth into which parcels of satisfaction, duly labelled economic or political or religious, were thrown. The number of parcels could be counted. On the later analysis it is imagined that the mind is like a well of unknown depth, partly filled with water, the level of which could be altered by turning on various taps labelled economic, political &c. Once the water is in the well there is no way of saying which tap it came from, and also it is impossible to say how much water there is in the well. One cannot therefore significantly ask how much economic welfare someone has; but one can say that the level of the water has risen or fallen as a result of turning the economic tap, if the other taps are attached, i.e. one can say that economic welfare increased or decreased.*

Little's opinion may be intuitively unappealing, but it is correct. The well-being of a society can be only crudely assessed. We are assured only of relative expression of well-being or its inverse, deprivation. We cannot know with precision, the antecedents of individual wellbeing and more particularly, why one

individual's self-described wellbeing differs from another, when the apparent parcel of goods with which they are bestowed, or to which they have access, is the same.

> *Welfare economics is not very much concerned with changes in the welfare of individuals as such. It requires a criterion of an increase in the welfare of individuals only because the welfare of the community is regarded as a logical construction from the welfares of actual or representative individuals.* (Little, 1973, p72).

The work of de Haan emphasizes that social policy is "an essential complement to economic policies, and not just in a 'residual' fashion, such as the interventions that deal with the unintended consequences of economic trends and policies" (2007, p1).

He emphasises that policy-making is politically dynamic and, "for example can prioritize one set of policies over the other, often at the cost of reduced impact on poverty" (2007, p2). This speaks to moral relativism and de Haan cites Polanyi's emphasis (in 1968) of "the clash of the organizing principles of economic liberalism and social protection which led to a deep-seated institutional strain", ultimately turning "this crisis into a catastrophe" (de Haan, 2007, p2). Social welfare must consequently be viewed as an ethical value judgement and moreover a normatively ethical value judgement, not a descriptive one. In other words the relative absence of deprivation is construed as a desirable goal; this is a distinction between humanism and positivism, and social welfare is categorised by the former. While Tibbets, for example, disputes that positivism has rejected normative, nondescriptive considerations, arguing that "both contemporary positivism and humanism are motivated by parallel ideals of enlightenment-through-science, by a concern with reliable social knowledge as the basis for rational public policies" (1982, no page number), it is implausible "that welfare economics is a precise objective science" (Little, 1973, p77) since one cannot be "very precise or objective about anything so vague as the happiness of the community" (p77-78).

In much the same way that distinct interests interpret the dimensions of social policy distinctly, the goal of welfare economics (or social policy in economic context) is subject to varying interpretation. Where de Haan, for example, takes the position that "a social policy focus includes core welfare responsibilities … constitutive complements to economic policies, [and] creating conditions for market functioning" (2007, p5), he contrasts his perspective with narrower perspectives emphasizing 'social welfare systems'. These systems arose (in Britain particularly) in the critical period subsequent to the Second World War when the term 'welfare state' "came into more general use as a convenient shorthand way of referring to the social and economic policy changes then taking place, which according to those sponsoring them, would transform British society" (Johnson, 1987, p3).

Johnson records that these changes included the introduction of social security, state provision of education, housing and welfare services for vulnerable groups, together with "the maintenance of full employment as the paramount aim of policy … and a programme of nationalization" (1987, p3).

Little's, Johnson's and de Haan's perspectives coincide. A contemporaneous perspective, providing an ontological frame for this body of research, emerges from Johnson's observations:

> *A further point of connection between economic development and welfare expenditure is that, as economies develop, the traditional supports of family, kin and local community are eroded, and other forms of provision have to be developed to take their place. At the same time, people become increasingly vulnerable because of greater specialisation, the rapid obsolescence of skills and fluctuations in the trade cycle.* (Johnson, 1987, p7).

In the process of elucidating alternative models of welfare, Johnson (1987, p11) cites Wilensky and Lebeaux's 1965 distinction of residual and institutional welfare, the former being reactive, the latter proactive and responsive, with welfare services being "normal, 'first line' functions of modern industrial society". This corresponds to the 'institutional redistributive' view of Titmuss (1974). Johnson identifies the elaboration of Jones in 1985 of Titmuss's institutional redistributive model, with Jones clarifying welfare capitalism, giving "priority to 'individuals first' social policy, with social provision based on citizenship, the objective being a fairer and more equal society" (1987, p13).

Evident in, and common to, this array of perspectives, is the value judgement foundation of political decision-making emphasised by Guess and Farnham (2011). However, Jones also elaborates the notion of a 'society first' welfare model as evidenced in societies elevating industrial performance, where capitalism is supported and reinforced (Johnson, 1987). Any evaluation of the South African social policy framework must, by all accounts, establish the political-economic incentive in addition to identifying the socio-political incentive. The distinctions may be narrow (especially if we deliberate within Little's elucidation of normative welfare economics) but substantial, as it affects a leaning towards social expenditure on the one hand and welfare orientation on the other (acknowledging the difficulties of measuring both dimensions).

2.2.1 Distinguishing welfare in the South African context

In 1994, the Reconstruction and Development Programme (RDP) identified developmental social welfare as key to meeting basic needs. The 2007 Budget Review put it this way:

> *The 1994 Reconstruction and Development Programme identified "developmental social welfare" as one of the key elements of meeting basic needs – ensuring delivery of benefits to the poorest,*

> *improved social insurance for the employed and unemployed, social assistance to those most at risk, protection of the rights of children, greater community involvement and inter-sectoral coordination.* (National Treasury, 2007, p100).

This insight illustrates the transformative social intentions of the new government: provision of the full suite of benefits that may be expected to accompany citizenship, this being the categorical imperative of a democratic South Africa. The 2007 Budget Review elaborated the government's position thus:

> *Reform of social development services during the 1990s focused on integrating the formerly fragmented welfare services and development programmes, improving social grants payments processes, introduction of the child support grant, and construction of new partnerships with non-governmental and community-based organisations.* (Budget Review, 2007, p100).

This statement reinforces the importance of unconditional cash transfers, as well as isolating the importance of the non-profit sector in conveying social benefit to socially deprived citizens.

The 2013 Budget Review intimated the suite of developmental welfare thus:

> *Reducing the cost of living for low-income and working-class households is essential for broadening economic participation and inclusive growth. Government contributes to reducing the cost of living in three ways:*
>
> - *Investment in the social wage, comprising education, health services, social development, public transport, housing and local amenities.*
> - *Support to vulnerable households though the old age grant, the child support grant and other social assistance grants.*
> - *Contributory social security, including unemployment insurance, injury compensation and death or disability benefits.* (National Treasury, 2013, p81 – 82).

This statement reinforces the importance of social amenity, intended to reduce if not preclude the social marginalisation that arises for low income citizens. It also introduces the criterion for social welfare: vulnerability. Many authors identify the societal framework that, normatively, would be prompted to care for the vulnerable. Standing (2001) sketches a vision of a 21st century Good Society; one where diversity is celebrated, where work is undertaken not only for economic reward, but for a sense of enjoyable and worthwhile occupation; where society's members possess:

> *…the means by which to act responsibly towards their family, neighbours and wider community. They live in an environment in which individual action and reflection is backed by collective*

> *agency, in what we might call collective, or cooperative, individualism. This is a vision of the Good Society based on real freedom, and based on equal basic security, or what might be called complex egalitarianism.* (Standing, 2001, p3).

In simple, small communities, one might expect basic security to arise in the form of kinship support systems, and within non-secular communities, denominational support systems. Increasing societal complexity, a consequence of population concentration and the simultaneous delegation of social decision making to elected government and public service administrators, centralises primary responsibility for providing protection from the adverse consequences of economic and social vagaries to government. The support of the state is an expression of the implementation and execution of policy, which in this case, is social policy.

In the setting of Standing's 'Good Society', welfare is understood as wellbeing, perhaps happiness, prosperity and material comfort. Where this view of wellbeing is compromised, one might expect some form of social protection mechanisms, social assistance measures, to emerge. "The shape of social assistance is … the result of choices made by the government in fulfilling its constitutional obligations, in terms of identifying groups that are especially deserving of public assistance" (Seekings, 2007, p.12). Normatively, being deserving of public assistance distils to need and inherited disadvantage; although the latter is taken to mean the disadvantage suffered by groups of people, not specific individuals. Practically, the most deserving disadvantaged members of a society must therefore enjoy an enhanced claim on a society's resources. Seekings (2007) points out the South African government position is that the extent to which this enhanced claim can be measured, can be achieved by statistically profiling beneficiary groups. The consequence of this profiling is to provide the severely prejudiced with a voice, the proxy for which is assumed by the state. In South Africa, this responsibility is delegated to the DSD.

In Standing's view, a societal framework which enjoys embedded systems that regulate and "limit social and economic insecurity" (Standing, 2001, p2) serves to promote the vision of an egalitarian society, characterised by wellbeing. These systems are expressed by Standing as threefold: social security, taken to typically comprise cash transfers to secure recipients against contingency risks such as sickness and old age and unemployment; social protection, taken to include non-cash transfer measures to protect civility fraternity and social solidarity; and socio-economic security, taken to mean the regulatory framework established through policy and legislation, promoting social and economic inclusion.

Standing's view of an appropriate regulatory environment in fact goes beyond the more apparent aspects of labour market regulation, to a revision of ethos that would ultimately give rise to reduced social dependency. Midgley (1995) ascribes social welfare to a threefold mix of the degree to which social

problems are managed, the degree to which social needs are met, and the degree to which opportunities for advancement are provided. Midgley's last item, the degree to which opportunities for advancement are provided, can be considered distinct from social protection, and not dissimilar to the notion of a development state, a dimensional contrast of the welfare state. Elucidation of this perspective, developmental welfare, is fundamental to this review. It is addressed in section 2.5.

Presently, it remains to secure evidence affirming social security and social protection as the primary pathways of the execution of welfare measures. It is almost immediately evident that terminological reference differs: Holzmann and Jorgensen for example, presume social protection to encompass "public measures to provide income security for individuals" (2001, p529). Blank and Freeman adopt the position that social protection systems, broadly defined, "include all governmentally sponsored programs that protect individuals or families from serious income declines or job loss" (1994, p21). More comprehensively, Devereux and Sabates-Wheeler maintain that social protection:

> *...describes all public and private initiatives that provide income or consumption transfers to the poor, protect the vulnerable against livelihood risks, and enhance the social status and rights of the marginalised; with the overall objective of reducing the economic and social vulnerability of poor, vulnerable and marginalised groups.* (2004, iii).

Beattie infers that "(some) social protection schemes redistribute from the rich to the poor …[but that] … this cannot (and indeed should not) be the main objective of all schemes if the interests of people are to be properly safeguarded when they are sick, disabled, unemployed, retired, etc." (2000, p134).

Midgley and Tang abandon the term social protection, preferring to ascribe to the term social security the meaning of "a variety of statutory income maintenance, health care and other programs" (2002, p61), borrowing from a 1984 International Labour Organization definition. Midgley reflects earlier on the United Nations definition of social security as:

> *...the protection which society provides for its members through a series of public measures against the economic and social distress that otherwise would be caused by the stoppage or the substantial reduction of earnings resulting from sickness, maternity, employment injury, invalidity and death; the provision of medical care; and the provision of subsidies for families with children.* (1996, p3).

Further investigation reveals reference to social expenditure (Arjona, Ladaique and Pearson, 2003), social transfers (Barrientos, 2012) and social wage (Sefton, 2002). A theme common to all of these perspectives, however, is one of measures to address vulnerability of recipients who experience material disadvantage arising from economic and social exclusion, stimulating "public actions taken in response to levels of

vulnerability, risk and deprivation which are deemed to be socially unacceptable within a given polity or society" (Norton et al., 2001, p7).

Norton exposes a nerve; specifically, the degree to which a society acknowledges the vulnerability and consequential deprivation suffered by some of those in its midst. It follows that social policy will qualitatively distinguish the polity of the day. In South Africa, given an ideological bias of government to redress historical social and racial prejudice, social policy demonstrates a leaning to redistribution, considered by critics to be unaffordable for a developing transition economy. Notwithstanding manifest support and dissent alike for South Africa's social policy platform and implementation by opposition parties, civil society, academia and the chattering classes, the connection is clear: social welfare practice is both a deliberate and visceral response to perceived lack of welfare. It follows, that whether exercised by government, civil society or individual citizens, the range of social welfare practice is in itself a construct necessitating exploration.

2.3 WHAT IS WELFARE PRACTICE?

The themes of vulnerability, risk and deprivation are generally accepted to form the basis of a desert of social welfare. The public action this stimulates as a social response may be regarded as welfare practice. In this vein, it is imperative to agree the dimensions of welfare practice, being the measures undertaken as public response to provide income security and the fulfilment of basic needs. In other words, the endowment and endorsement of a social safety net provided by the better off, or at the behest of the better off, to arrest the decline of the economically and socially excluded.

According to Titmuss, reports Johnson (1987), three models of welfare are discerned: residual; industrial achievement-performance; institutional redistributive. Mishra distinguishes the differentiated, or pluralist welfare state, from the integrated welfare state. The former is one where social welfare operates independently of the public and private sectors: "the social welfare sector is seen, by and large, as distinctive and unrelated to the economic, industrial and public sectors" (Mishra, 1984, cited by Johnson, 1987, p14). The integrated welfare state on the other hand "suggests that social welfare programs and policies are seen in relation to the economy and polity and an attempt made to integrate social welfare into the larger society" (Mishra, 1984, cited by Johnson, 1987, p185). However the essential features of the integrated or corporatist welfare state would appear to be a pattern of balanced economic development, a relatively good labour market record with low unemployment and a further expansion of the welfare state" (Schmidt, 1983, cited by Johnson, 1987, p186). Johnson points out that in some jurisdictions, corporatism

makes little attempt to intervene in the tension between labour and capital, while in some countries government, private enterprise and labour seek to negotiate principles of cooperation.

Johnson concludes: “The spread of corporatism will, however, be limited because the conditions in which it thrives on limited” (1987, p187). His verdict is deduced from interrogating five predicates upon which he maintains corporatism relies: “(1) an organised and centralised labour movement; (2) a strong, central organisation of capital; (3) the ability of capital and labour to ensure compliance among their constituents; (4) appropriate state institutions” (p197) and he concludes that the “reliance on consensus which may be achieved relatively painlessly when times are good, but quickly dissipate during a recession” (p197) dilutes the prospect of attaining the goal of an optimised integrated welfare state. He maintains that:

> *In the short to medium term the future of the welfare state appears to lie in the direction of welfare pluralism; but even with statutory finance and regulation, serious doubts arise as to the willingness and capacity of the voluntary and informal sectors to substitute for the state. If they cannot respond in the ways and to the extent expected of them by welfare pluralists, then welfare pluralism will merely serve to legitimate cuts in public expenditure and the development of market provision.* (Johnson, 1987, p199-200).

Johnson in fact does not advocate strongly for corporatism. He rather introduces, albeit delicately, the notion of socialism representing a more effective means of attaining more just societies. However, he simultaneously acknowledges that the time scale for successful (for which it may be more appropriate to substitute the term ‘sustainable’?) socialist presence relies on decades of sustained commitment and structural change. In addition, he asserts that: “Although in a socialist society there would be no place for private health, welfare and education markets, there is no reason why a voluntary sector should not remain” (1987, p199). These conclusions are not evidentially derived, however. Nevertheless, Johnson acknowledges the imperative of welfarism, recognising that even though “the welfare state has aided capital accumulation and legitimated a capitalist system” (p200), dismantling the mechanisms of the welfare state would have miserable consequence for the un- and under-resourced.

Titmuss argued that it was essential to take into account the social division of welfare. He claimed three major categories of welfare: social welfare, fiscal welfare and occupational welfare. Social welfare aligns to income protection, health care, social work, and personal social services. Fiscal welfare manifests primarily as tax allowances. The benefits derived from formal employment by responsible employers, gives rise to occupational welfare, arising as occupational benefits such as pension plans, social amenities, access to health services and the like. While these three categories are distinct, they are indivisible: while some national jurisdictions may emphasise one component over the other the broad mix

of beneficiation gives rise to enhanced parity, reduced social stratification, more complete engagement as citizens. The importance of this emphasis and indeed Titmuss's model to this body of research does not lie in comparison of the South African welfare system to that of any other national jurisdiction, but an identification of the extent to which any and each of these three categories are realised in the execution of social policy in South Africa.

The welfare in 'welfare capitalism' aligns to Titmuss's institutional redistributive model, prioritising benefits accruing to citizens, giving rise to a "fairer and more equal society" (Johnson, 1987, p13). Welfare capitalism aligns in the same vein to the industrial achievement performance model. Here, welfare provision is based on provision of employment opportunity as a societal benefit rather than compensation for deprivation at the level of individual. It follows, therefore, that the precepts guiding South African social welfare practice are established. This is undertaken in the following sub-section.

2.3.1 Vulnerability and the great South African welfare trap

According to Devereux (2003, p1), social safety nets sought initially to raise "the consumption of the poor through publically provided transfers" but this has shifted to "helping low-income households cope with income fluctuations as well." The origins of the notion of a social safety net dates back to international assistance programmes rendering assistance to poor nations unable to afford assistance to their chronically poor (Devereux and Sabates-Wheeler, 2004).

While international trends may have forged the contemporary understanding of social safety nets as one element of a multi-faceted approach to dealing with poverty as a multi-faceted problem, the notion of a social safety net has always distinguished both short term and long term aspects of social security – in the short term, the net allows opportunity for the performer to survive the hiatus of the fall, again mount the trapeze and again launch themselves in the economic amphitheatre. In the longer term, there is a need to sustain the infirm, the elderly and in an employment context, the ineligible.

Pelham (2007) contends that two forms of social safety net may be thought to pertain: protective, and promotive. Protective safety nets address issues such as pensions for the elderly, for example. In this vein, the economic needs of the most vulnerable portion of a society, excluded from and ineligible for employment, are addressed by undertaking financial transfers from the general fiscus specifically for the purpose of protecting vulnerable elders. Promotive safety nets, on the other hand are, according to Pelham, intended to be transformative - providing a ladder for the recipient to pursue greater social and economic inclusion. This is akin to Devereux's idea of providing assistance to low income households, but with the intention of providing a so-called leg up, rather than a perpetual social wage.

The legacy, however, of deliberate social and economic marginalisation that characterises South Africa's social organisation, somewhat discounts the prospect of a leg up – there is simply no tread for the citizen so assisted, to place a foot. Structural unemployment and an education system that lag the requirements of a transitioning economy suggest that some vulnerable may, disconcertingly for a nation characterised by an inclination to the inviolability of human rights, remain so from cradle to the grave.

Welfare practice might therefore be conceived to be distinctive, crafted to address jurisdictional context including need, affordability and prevailing ideology. The International Labour Organisation (ILO) distinguishes a continuum of social measures that extends from redistributive transfers (akin to Pelham's protective safety nets) providing relief from deprivation, to preventive measures aimed at averting deprivation, and thence to promotional measures intended to enhance income and capabilities (Devereux and Sabates-Wheeler, 2004).

The idea of a gradation of welfare measures is appealing. Devereux and Sabates-Wheeler (2004) elaborate on the mechanisms of social protection as follows:

> *Social protection is the set of all initiatives, both formal and informal, that provide: social assistance to extremely poor individuals and households; social services to groups who need special care or would otherwise be denied access to basic services; social insurance to protect people against the risks and consequences of livelihood shocks; and social equity to protect people against social risks such as discrimination or abuse.* (Devereux and Sabates-Wheeler, 2004, p9)

This suggests multiple classes of welfare provisioning: a four-fold classification as conceived by Devereux and Sabates-Wheeler (2004), comprising protective, preventative, promotive and transformative measures. It also infers that target beneficiaries can be discerned: chronically poor, economically vulnerable, and socially vulnerable (Devereux and Sabates-Wheeler, 2004; Devereux et al., 2002). This necessitates clarifying the concept of welfare as a public response in South Africa, as a response to vulnerability.

The chronically poor sometimes inherit their privation: while first-generation rural émigrés are attracted by the relative promise of economic opportunity in urban environments, their second-generation offspring are not necessarily better off. With reduced opportunity to return to rural pastoralism and subsistence agriculture, they swell the ranks of the urban unemployed. Severe physical disability renders victims, especially with limited access to kinship support, indigent. Many elderly, especially when drawn from the ranks of (previously/historically) disadvantaged groups where economic and social alienation limited amassing of savings and property ownership, are similarly rendered chronically poor. The chronically poor are inescapably dependent on social assistance – the extent to which their privation is lessened is a

function of affordability and civic conscience. The nature of the welfare intervention for this group is recognisable as primarily economic – enabling sustenance. Devereux et al. (2002) record assistance taking the form of disability benefits, single-parent allowances, social pensions and food aid.

The chronically poor can be distinguished from the economically vulnerable in as much as the latter group retain a foot on the threshold of the job market. That is, the economically vulnerable are eligible for employment and may be considered to be displaced rather than excluded from employment. This group encompasses informal sector workers, what Devereux et al. (2002) refer to as internally displaced workers, and the elderly. It is important to note however, that not all elderly are necessarily chronically poor.

Finally, Devereux et al. (2002) ascribe social vulnerability to groups compromised through social stigmata: minority groups, people with disabilities, street-children and female-headed households, and people living with AIDS, for example. The authors' categorisation is exhibited in table 2-1. It follows that the privation of each group is ameliorated by the social protection initiatives envisaged by Devereux and Sabates-Wheeler (2004) as social assistance for the chronically poor; social insurance for the economically vulnerable; social services for those people needing special care or access to basic services; and social equity where social risk abounds because of a societal revulsion for social stigmata.

Table 2-1: A categorisation of social vulnerability

Vulnerability category	Examples of affected groups
Chronically poor	Severely disabled, terminally ill, urban unemployed
Economically at risk	Internally displaced persons, informal sector workers, elderly
Socially vulnerable	People living with AIDS, victims of domestic abuse, people with disabilities, street children, female-headed households

Source: adapted from Devereux and Sabates-Wheeler (2004).

Social insurance is easily contrasted with social assistance. The former includes "contributory schemes designed to protect workers and their households against life-course and work-related contingencies, such as maternity, old-age, unemployment, sickness, and accidents" (Nino-Zarazua et al., 2011, p164). This manifests in South Africa as the Unemployment Insurance Fund (UIF), regarded, however, as making a relatively negligible contribution to social security because of limited job displacement of contributors relative to the overwhelming extent of chronic poverty and economic vulnerability of non-contributors. While social insurance is unequivocally an instrument of welfare provisioning, it is administered as a labour market intervention by the Department of Labour, while the Department of Social Development (inherited from the previous regime administration as the Department of Welfare) administers social assistance and

social service interventions. Hence, while a means of welfare provisioning, social insurance does not fall within the purview of this review and is hence omitted from further interrogation.

However, Nino-Zarazua et al. (2011, p164) point out that the "persistence of mass poverty in the region (has) meant that the extension of social protection in sub-Saharan Africa has started with social assistance." This manifests primarily as grants for the elderly and children (Nino-Zarazua et al., 2011; Pelham, 2007; van der Berg, 1997). Defending the impoverished against the worst outrages of economic misfortune is a constitutionally driven political imperative:

> *While the rewards of South Africa's modest economic growth are being cornered in small sections of society, punishing costs are being imposed on the poor. Close to half the population could reasonably be said to be living 'in poverty' and income inequality is now wider than ever before. Tempering the ordeals of the poor are the government's attempts to expand social protection and public-works programmes — schemes that became crucial political imperatives in the 2000s, as unemployment rates worsened and community protests multiplied.* (Marais, 2010, p2).

The exclusion that Marais infers is the preserve of almost half of South Africa's population has both economic and social dimensions. Economic exclusion is experienced as exclusion from income earning opportunity, assets and the labour market. Socially, exclusion from decision making, social services, community and family support thwart the marginalised. This can be taken to mean an exclusion from full citizenship, and a desert of the ostensible dignity afforded by the human rights foundation of the constitution. It is conceded that economic and social exclusion would in any event arise as a consequence of social hierarchy, but it must be emphasised that in South Africa it is exacerbated by a historical legacy of deliberate social exclusion of citizens other than those favoured by the elitist pre-1994 government. This has given rise to an erosion of social identity, a further obstacle for marginalised members of a society to negotiate.

Adato et al. (2006) suggest that social exclusion and poverty interact in a mutually self-sustaining fashion. Poor households have poor access to financial services, including borrowing. This means they are unable to borrow against future earnings. Hence little investment can be made in capital projects, and economic vagary cannot be weathered. In South Africa, characterised by a legacy of socio-economic polarisation, a manifestly large number of citizens are condemned to poverty – a feature designated as a poverty trap. Large household size, a low level of education and a negligible participation in the labour market are identified by Woolard et al. (2002) as three poverty traps that serve to hinder upward mobility and in so doing, ensnaring the poor. Unable to borrow against future earnings, capital accumulation is precluded and

"the initially better-off move ahead to higher levels of well-being" (Adato et al., 2006, p228), while the poor are trapped at a lower level of well-being.

The consequence of being mired in a poverty trap is an ever reducing level of welfare. Adato et al. (2006) cite the conclusion reached by Carter and May (2001), that a "modest pattern of upward structural mobility [and] relatively large amounts of structural poverty … are at least consistent with the hypothesis that social exclusion and ineffective social capital are an important legacy of apartheid" (Adato et al. 2006, p231). This suggests that social policy can contribute to both alleviation and aggravation of socio-economic conditions, and ultimately to alleviating or aggravating the so-called poverty trap. That present-day social policy has contributed to the more desirable target, is debateable. This review of concepts and constructs must therefore explore the scope of social policy generally, and the factors shaping South African social policy specifically. This is undertaken in sub-section 2.4.2.

2.3.2 Summarising the elements of South African social assistance

Returning to the primary purpose of this sub-section, and having dispensed with the principles of welfare practice (as safety net for needy citizens) it is relevant to draw together the threads and document, conceptually, the demonstration of welfare practice as tangible intervention in the form of social assistance.

Seekings (2007) explains social assistance as the mitigation of significant poverty of deserving poor (such as the elderly, the disabled, and children). The disabled, children and adults beyond working age, are defenceless against their inability to join the labour market. This renders them worthy of social protection. Where adults, including employment-eligible youth, are unable to find employment, indirect social protection interventions are emplaced. This is typically achieved through public works programmes. Pensions are paid to the qualifying elderly to alleviate immediate hardship and aggregate poverty. Child care grants address the cost of raising children in economically impoverished households. According to van der Berg, "social assistance has three main pillars: social old-age pensions, disability grants and child and family grants, all means-tested to ensure that they are targeted at the poorest" (1997, p485). Disability grants, however, represent a far smaller grants transfer relative to child care grants and disbursements to the elderly.

Standing makes reference to social assistance as "… ('state charity'), the system by which state transfers are provided, usually but not always in cash form, supposedly related to specific contingency risks, such as sickness, invalidity, old age, unemployment and motherhood" (2001, p2). Standing goes further however, to reflect that social protection comprises more than financial transfers, and encompasses:

> *… social services, community initiatives, private commercial or voluntary schemes, and self-help arrangements, such as "friendly societies". If social security is about "social risk management by or for the individual", then social protection, which includes social security, may be said to be also about "protection of the social" – civility, fraternity, and social solidarity.* (Standing, 2001, p2)

Standing's perspective merits closer scrutiny – particularly the notion of social protection as an encompassing conception of welfare. The attentive reader will recall Standing's vision of a *21st Century Good Society* introduced in section 2.2 supra, promoting the concept of welfare as a holistic frame of collective agency. It is this ideal – of social risk management by each citizen and for each citizen – that is echoed in the national Constitution, seeking as it does to free the potential of each person and establish a society promoting social justice.

It is evident that welfare practice has evolved from income transfer as a manifestation of the social conscience of a citizenry – represented by the state - to a multiplicity of measures intended to address the misfortune of economic exclusion as well as social exclusion. These measures seek to protect, to insure, to promote, and to transform. In South Africa, the emphasis appears at first glance to be overwhelmingly slanted towards financial transfers to the chronically poor as welfare mechanism. Hence while the state proclaims a promotive and transformative approach to welfare practice, critics refute this, maintaining the emphasis is upon social transfer, and not social transformation.

Is this a criticism of social policy implementation or more profoundly, of social policy position? This question prompts exploration of the foundations of social policy generally, and the social policy position of the South African government specifically.

2.4 WHAT IS SOCIAL POLICY?

Generally, it may be said that governments manage the macro-environment by establishing a policy position. Clavier and de Leeuw (2013, pp1-2) phrase it thus:

> *Public policies are ubiquitous: they are present in most aspects of our daily lives (…)from structures that regulate society like welfare programmes to physical constructs like roads and bike lanes. Public policies are pervasive in the workplace: they shape the career opportunities of women, the safety of workers, and what happens to domestic industries in dire straits. They are*

> *embedded in and drive trade agreements between countries and continents. They determine (...) when, how, and in what form our health care is delivered.*

Social policy is but one aspect of public policy. Social policy seeks to specify a system of social welfare, and contemporary social policy can be considered to be steadily and progressively evolving, to account for influences brought about by the evolving nature of social and economic interaction. Most recently, this evolution reflects the influence of intensified international economic interaction. Before the current era, the internecine European conflict punctuated by the two World Wars of the previous century gave rise to a new social consciousness and a reflection upon systems of class, social order, public administration and government relevant in the aftermath of wholesale destruction not only of human life but of sociality. It is edifying to reach back into the past to enquire of these precedents, the meaning of social policy. Writing in the mid-1950s, Macbeath and Hagenbuch each provide sobering insights with their straightforward assessments, dating to the middle of the last century:

> *Social policies are concerned with the right ordering of the network of relationships between men and women who live together in societies, or with the principles which should govern the activities of individuals and groups so far as they affect the lives of other people.* (Macbeath, 1957, p1).

> *Stated in general terms, the mainspring of social policy may be said to be the desire to ensure every member of the community certain minimum standards and certain opportunities.* (Hagenbuch, 1958, p205).

There is little reason to contemplate that human disaster will transform the pursuit of advantage and personal gain. To the end of acknowledging the necessity for government intervention in regulating human life and social interaction, Lafitte concluded that:

> *In the main, social policy is an attempt to steer the life of society along channels it would not follow if left to itself.* (Lafitte, 1962, p9)

In this context, of 'attempting to steer the life of society', policy-making can reasonably be presumed to be an exercise in technical rationality. It follows that policy scrutiny must in part seek to clarify not only the outcome (the policy framework and its 'field' outcomes), but also the precepts or postulates upon which the policy is predicated. If these presumptions are established as flawed or at the very least, precarious, then the policy might be exposed as having shortcomings, no matter the thoroughness of the deliberation.

It must simultaneously be understood that policy-making is an exercise in 'politics-making'. Politicians, inescapably victims of their own hubris and the judgements of their electorate, exercise influence over

policy-making with as much of an eye upon preserving political domination as upon achieving policy goals. "Political discretion is exercised at least in part on the basis of values, and policy tends to change because political values change. In the realm of policy-making, political values often world often boils down to partisan values" (Guess and Farnham, 2011, p9-10).

The partisan supremacy of the ruling party in South Africa must, however, be acknowledged for preventing the policy-making process post-democratisation from becoming bogged down. Both amplification of benefits and opening of access to welfare beneficiation to all citizens, post-democratisation, free of the single-minded fixation of the previous dogmatists, is evidence on the one hand of political factors forcing a moral victory, although, perhaps, a Pyrrhic one, were targeted scrutiny to reveal a mismatch of goals and outcomes.

Political factors aside, technical factors also play their part in the policy-making process (Guess and Farnham, 2011). While resolve and determination birthed a South African social policy framework conspicuously aligned to the constitutional framework put out in 1996, so-called social development policy has not been interrogated for its technical rationality in the two decades subsequent.

While Guess (1991) has argued that "politics and policy can be institutionally separated to produce policy rules that at least seem not to have simply reflect the preferences of powerful lobbyists" (Guess and Farnham, 2011, p12). "In the larger policy process, it may be more difficult to isolate political influences from technical processes" (Guess and Farnham, 2011, p12). "Public servants [also] understand the pull of populist forces and often disregard policy recommendations in final decision-making" (Guess and Farnham, 2011, p5). This suggests the need for "policy analysis that balances technical solutions with political feasibility" (Guess and Farnham, 2011, p5).

One might expect that social policy aims to address the adverse consequence of capital-driven economic interaction. However, it is prudent to simultaneously acknowledge that the goals of social policy, in an integrated global context, are interwoven with macro-economic policy, labour policy and international policy. Hence governments tread a tightrope between serving the distinct interests of their citizens: employers, as a proxy for the owners of the means of production and employees, as a proxy for the proletariat who, centuries ago, exchanged their largely agrarian and subsistent independence and its allied precariousness for subordination (and its allied stability) to producers.

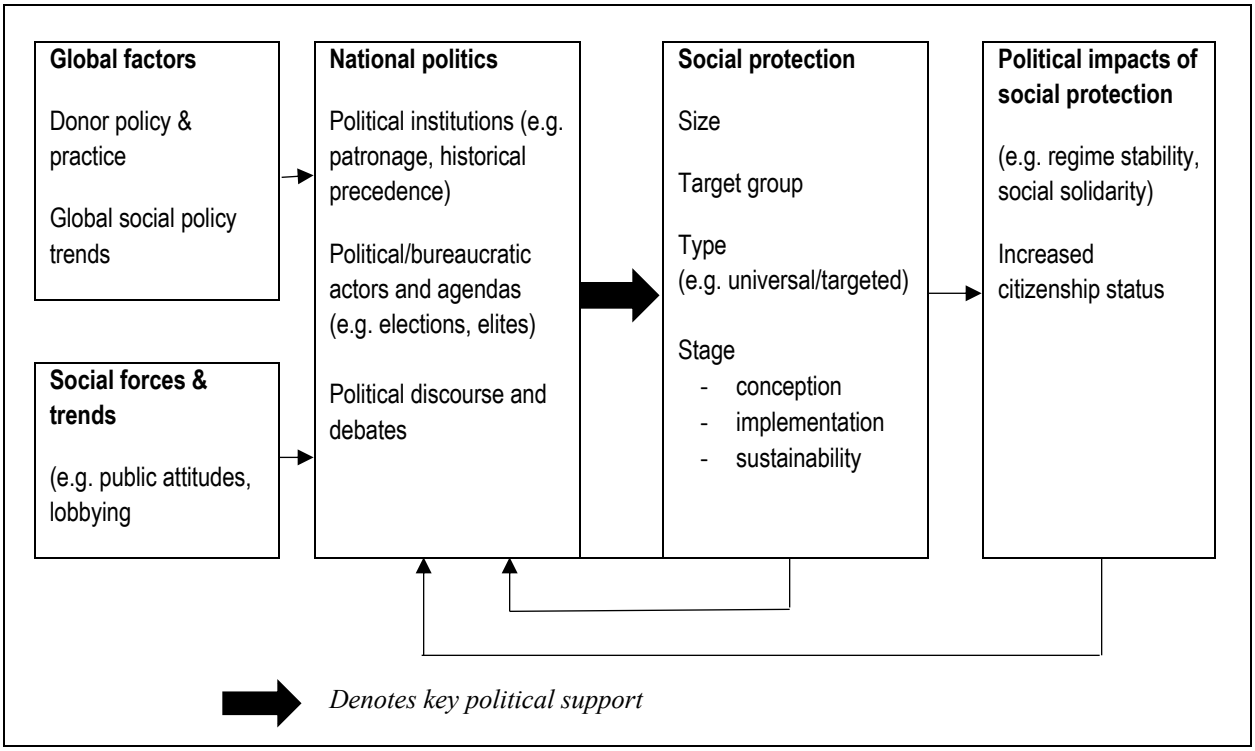
2.4.1 National politics as a pressure point for social policy

Hickey (2007) maintains that social policy is shaped by national politics and not only national social forces and trends, and global factors. Keeping distinct parties to the same equation satisfied, requires juggling the

expectations of capital investors, both national and international, as well as public forces (again, both national desires as well as international expectations), and the political impacts of social policy. Figure 2-1 reproduces Hickey's emphasis that social protection is complexioned by these disparate and competing forces.

Whereas one might expect that social policy will reflect the interpretation by government of political and electoral patronage, Hickey underlines the influence of global factors determining national politics. He considers this influence to manifest as global trends in social policy. According to Standing (2001), opining a decade after the Cold War collapse, this state of affairs is precariously poised – in a state of crisis, as he put it. The impetus for this opinion, as current global affairs and relationships are stretched beyond credulity, cannot be said to have abated.

Figure 2-1: The links between politics and social protection: a basic framework



Source: Reproduced from Hickey (2007, p3).

Standing reveals a number of pressure points for social policy development:

> *Given the developments associated with globalisation – notably the privatization of economic activity, the privatization of social policy, informalisation, the spread of flexible labour practices and the new globalised socio-economic stratification – it is no exaggeration to describe the emerging tensions and dilemmas in social policy as crises.* (Standing, 2001, p12).

Standing's commentary, emanating as it does from the turn of the century, originates from an observation of the tensions spawned by an integrated international economy rewarding capital and further depressing the prospect of social and economic inclusion of the marginalised. These pressure points illustrate the adverse social and economic consequences of elevated global socio-economic interaction.

Standing observes that a fiscal crisis emerges, in essence "because social security schemes were designed for industrial society based on regular full-time employment" (2001, p14), requiring that contributions be balanced by outlays and that "they are put under fiscal strain in all societies that do not correspond to that model" (p14). Standing underscores the disparaged consequence of global capitalism – growing inequality. Where tax revenue must be shared amongst competing demands, social budgets are often the victim of budget rationalisation, giving way to infrastructural spending and other government outlays. Employers have a larger appetite for the revenue streams originated by government infrastructural spending, than they necessarily do for social solidarity.

Standing also emphasises the so-called crisis of social protection legitimacy (arising in industrialised nations), arising from the denial of an electorate who do not interpret themselves to be at high risk of requiring support from a social system. This view is more representative of the industrialised nations of the northern hemisphere, the traditional welfare states. It is contradicted in South Africa (and other African states: see Hickey, 2007). The South African electorate, certainly, is almost overwhelmingly predisposed towards social and economic exclusion. The government is bound, in addition, to honour constitutional injunction. Hence social policy in South Africa demonstrates a political and ideological emphasis on redistribution (Seekings, 2013; Pelham, 2007). This is expressed definitively by May (2004, p5) as follows:

> *In the current debate over poverty reduction in South Africa, analysts and government do seem to agree that an important component of post-apartheid response to South Africa's singular if not grotesque poverty profile should be through a reallocation of government budgets towards social spending on such target groups(as children, the elderly, the disabled and the poor more broadly intended as the beneficiaries of such spending).*

This position is not fundamentally new. It mirrors the system that spawned it, the welfare system of Great Britain. Titmuss, commenting in 1965, tells us that "built into the public model of social policy in Britain since 1948 there are two major roles or objectives: the redistributive objective and the non-discriminatory objective" (Titmuss, 1965, p16) and that "if one disregards the social costs of industrialism, of allowing a large part of the disservices of technological progress to lie where they fall, then the system (of public assistance) was clearly redistributive. It directly benefited the explicit poor" (Titmuss, 1965, p15).

Great Britain's social policy position followed the Great War of 1939 – 1945, which witnessed significant destruction of the fabric of British society. Titmuss continued to comment that the assumption of welfarism was not without fault and that:

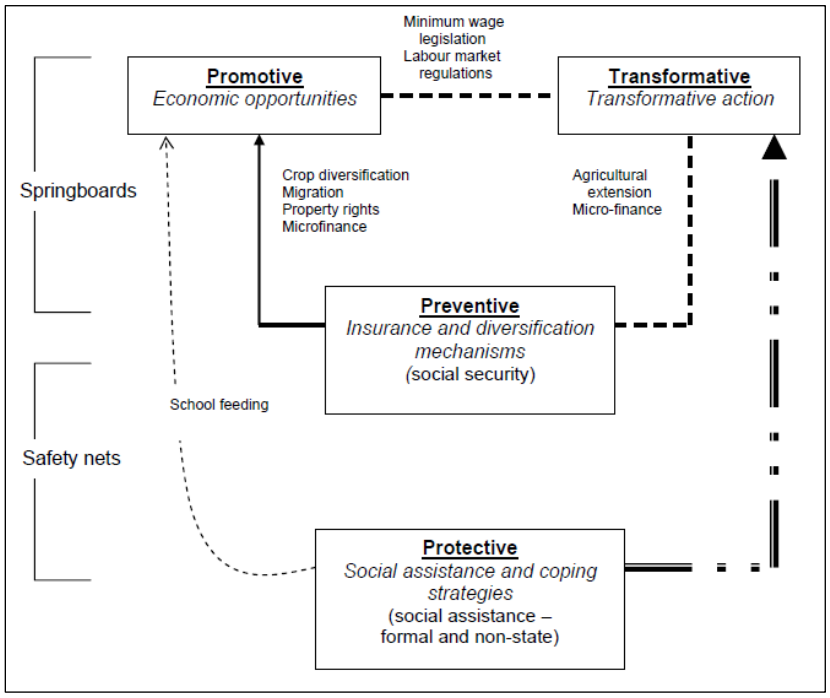
> *... with the limited instruments of policy and administrative techniques to hand in the past, the system could only function by operating punitive tests of discrimination; by strengthening conceptions of approved and disapproved dependencies; and by a damaging assault on the recipients of welfare in terms of their sense of self-respect and self-determination. Within the established pattern of commonly held values, the system could only be redistributive by being discriminatory and socially divisive.* (Titmuss, 1965, p15).

Titmuss emphasises the incongruity of a non-discriminatory policy position that is operationalised through discriminative practice: qualifying eligibility as a function of dependency, the dependency in turn a function of economically vulnerability and social vulnerability. Hence while social welfarism seeks to preclude alienation, it by its very nature perpetuates discrimination.

Notwithstanding the welfare debate of the traditional welfare states conducted in the past century, Pelham isolates the redistributive dimension of social welfare as reflecting "an understanding of need and poverty as persistent rather than fluctuating state of the beneficiary" (Pelham, 2007, p16). Pelham clarifies further that the income transfer effected through social pensions – primarily to elderly beneficiaries, but also in respect of provision of care and support to minor children – softens the blow of persistent and conceivably increasing poverty. She also points out that protective safety nets are designed to maintain the status quo of temporarily displaced individuals, while promotive safety nets seek to protect against the static risk of perpetual poverty. This position is very effectively conveyed by Devereux and Sabates-Wheeler (2004) and their conceptual representation is reproduced in figure 2-2.

Nino-Zarazua et al. (2012) go further to distinguish age-based vulnerability transfers as characteristic of South African social welfare practice, from so-called 'extreme poverty-based transfers' arising as donor aid and food aid and characterising countries such as Mozambique, Zimbabwe and Zambia and others, who typically share humanitarian crises as a commonality. These authors point out that vulnerability-based income transfers limit ostensibly less needy recipients of welfare detracting from the level of welfare received by the poorest of the poor, and that in countries characterised by extreme income inequality, the relative wealth of tax payers provides a viable source for redistributable tax revenue.

Figure 2-2: A conceptual framework for social protection



Source: Reproduced from Devereux and Sabates-Wheeler (2004, p11).

However, it is intuitively obvious that social transfers devised to obtain a standard of dignity and paid primarily to an elderly population conceived to demonstrate a solidity that consolidates family stability (Aliber, 2001; Pelham, 2007), can have little impact on poverty reduction. The reliance of extended families upon pension grants precludes saving and investment. As phrased by Pelham, commenting on the South African democratic government's social policy position, "the concern over the provision of social assistance was about maintaining rather than challenging the situation" (Pelham, 2007, p17).

2.4.2 A stake in the ground: towards a South African social policy position

Attracting criticism in the first few years post-1994 democratisation, the ANC government sought to disclaim the reputation it inherited of neo-liberal pro-business support, with fleeting regard for social transformation. The White Paper on Social Welfare sought to set aside the criticism by assuming a policy position:

> *Social security, social services and related social development programmes are investments which lead to tangible economic gains and in turn lead to economic growth. Without such social investments, economic growth will be compromised.* (Republic of South Africa, 1997, p51).

Pelham comments that the White Paper "explicitly recognises the promotive potential of welfare assistance" and that social spending can be interpreted as a "ladder for the state and its beneficiaries, rather than a protective safety net" (Pelham, 2007, p18). This begs the question as to whether the government's view of social spending as promoting "developmental mechanisms to simultaneously protect and promote livelihoods" (Devereux, 2010, p2) is a widely shared one. Seekings does not agree: "In terms of expenditure and coverage, South Africa already has a remarkable, pro-poor 'welfare state', albeit one that is not comprehensive in terms of either coverage of the poor or the range of 'risks' against which people are protected" (2007, p2). Further, that "the state has chosen to focus its efforts on poor adults of working age on public works programmes, which are supposed to provide the poor with the 'dignity of work'" (Seekings, 2007, p5).

Thompson and Wissink (2018, p33) maintain that "… the African National Congress-led government over last two decades has published a plethora of white papers, enacted legislations laws and adopted policies" intended to realise citizens' constitutional rights. In their analysis and recommendations for a developmental state adhering to market economy principles, they emphasise the paradox of developmental, interventionist rhetoric arising in the context of government's neoliberalism. They contend that:

> *… inadvertently, there has been a co-expansion of the developmental and competition state models in South Africa. Such co-expansion is not inevitable, given the government's commitment to being a major player in the global economy and its simultaneous bullish attitude towards becoming a democratic developmental state.* (Thompson and Wissink, 2018, p33).

They add that the Congress of South African Trade Unions (COSATU) argues neoliberalism is increasingly supplanting the goal of state interventionism, control and direction. This gives rise to an erosion and "replacement of some state functions with that of the market" (Thompson and Wissink, 2018, pp 33-34).

Fedderke (2009) begs to differ. He points out that not only does development accompany economic growth, but that "… developing nations relied on the three pillars on which growth rests – capital accumulation, expanding the demand for labour to maintain as close to full employment as is feasible, and a steady growth in technology and the efficiency with which factors of production are employed" (2009, p15). Fedderke's criticism is frank and blunt:

> *In South Africa, the approach to the developmental challenges has been dramatically different. The focus of economic policy since 1994 was not the pursuit of the core elements of a growth strategy, but instead the development of a social welfare system. In short, the economic strategy*

> *of South Africa's first democratic government placed the attainment of greater equity and redistribution ahead of the achievement of faster economic growth.* (Fedderke, 2009, p16).

Perhaps this trajectory was inevitable. As Hagedorn (2018) points out:

> *The ANC's legitimacy, branding, and its supporters' loyalties trace to its having delivered majority rule. The covenant with its constituents then evolved toward legislating wealth and income redistribution. Given SA's historic inequities and geographic isolation, it was deemed acceptable to ignore global economic realities. This indulgence has become increasingly unaffordable.* (Hagedorn, 2018, online).

The cost of an elevated social wage was, in fact, affordable in the early years of the post-democratic period. Fedderke (2009) adds that the increase in social spending characterised by social grant cash transfers was made possible by fiscal conservativism in the form of contained debt servicing and reduced national defence spending. Crucially, however, his analysis was undertaken prior to the tumultuous years of the Zuma presidency. It is increasingly generally accepted, although perhaps not by South Africa's neo-fascist elements, that the country's democratic project suffered severe harm during Zuma's term. Until the scholarly community definitively pronounces on this period representing a compromise to statehood, there is no merit in asserting in tangential appraisal, that social policy execution has been compromised by misdirection of state apparatus. If, however unpalatable it may be to some, it is accepted that state machinery could for the better part of a decade have been misapplied, then acknowledging that the democratic project stalled for this time, is not a stretch of the imagination.

In his capacity as Secretary-General of the UN, the late Kofi Annan asserted in a report to the UN Security Council in 1998 that:

> *Where there is insufficient accountability of leaders, lack of transparency in regimes, inadequate checks and balances, non-adherence to the rule of law, absence of peaceful means to change or replace leadership, or lack of respect for human rights, political control becomes excessively important, and the stakes become dangerously high.* (Annan, 1998, p12).

In time, these elements can be reasonably expected to emerge in authoritative discourse as characteristic of the Zuma presidency. Until that time, credible commentators opine in the daily media that: "It is a guilt-ridden government; one that knows it shares responsibility for failing its people, and enters elections on the grace of forgiveness of continuously disadvantaged citizens" (Booysen, 2018, online).

For these 'continuously disadvantaged citizens', says Evans (1995, p3) "the quotidian power of the state over their individual lives" can take on disturbing proportions. He continues:

> *We stand there [in queues, awaiting public service] because we need what the state provides. We need predictable rules, and these in turn must have a concrete organizational structure behind them. We need some organizational reflection, however imperfect, of general as opposed to individual interests. We need something beyond caveat emptor to sustain the process of exchange. We need "collective goods" like sewage systems, roads, and schools. None of which is to say that the existing states give us what we need. Too often we stand in line in vain. The contradiction between the ineradicable necessity of the state in contemporary social life and the grating imperfection with which states perform is a fundamental source of frustration.* (Evans, 1995, pp3-4).

The exercise of power by government is the cornerstone of sovereignty. This is coercive power, for sovereignty entitles the state to exercise discretion in terms of its constitution, over its citizens. In defending its citizens against external threats, the state fulfils one role of statehood. The other fork of the conventionally understood bifurcation of state role, is the preservation of internal order. Evans introduces a third role, one he claims supplants the traditional roles: "In modern times, a third role has increasingly stolen the limelight. As political survival and internal peace are more often defined in economic terms, states have become responsible for economic transformation" (Evans, 1995, p5). This is akin to Fedderke's exhortation (aligned to the views of substantial economists) of the significance of economic growth as a fulcrum for elevating a population's wellbeing.

Stiglitz points out that, however, that government intervention is not measured in binary terms. He remarks:

> *While the theory of government failure is not as well-developed as that of market failure, it is clear not only that governments often fail, but also that such failures are not inevitable: even imperfect governments can result in an improvement in resource allocation. They can help markets work better. Indeed, it is hard to find any country that has had successful development in the absence of strong government interventions.* (Stiglitz, 2017, p4).

Stiglitz (2017) continues, to establish these two primary arguments: first, that resource allocation within societal institutions does not necessarily represent preference ordering, by institutional members. This is akin to alleging that allocation decision are not necessarily arbitrarily undertaken, but that governance mechanism are maladapted at ensuring aggregated, 'best choice' decisions. This is pronounced in state

institutions, where the ANC's cadre deployment has ensured colourful, if unsubstantial and ineffective leadership.

Second, societal resource allocation "is not the result of rational deliberation over alternative mechanisms" (Stiglitz, 2017, p5). Stiglitz maintains that mechanisms evolve, and that they cannot be presumed to be optimal. He notes: "… there is the danger of aggrandizement of power in the hands of a subset of individuals, or even a single individual, resulting in decisions that reflect that individual's or those individuals' perceptions or interests" (1995, p5).

What are we to make of this? It is clear that the state is a fundamental component of societal advancement, which in the modern era is no longer about conquest, but economic transformation. Where economic performance is flaccid, even if undertaken with theatre and animation, then the state is notably a responsible party for poor outcome, and not merely an inculpable bystander. Traditional structural analysis has distinguished predatory from developmental states, recording the former as limiting development, the latter as authentically enabling it. Table 2-2 illustrates Evans' (1995) summation of these distinctions.

Table 2-2: Characteristics of predatory and developmental states

Predatory-state	Developmental-state
• Lack the ability to prevent individual incumbents from pursuing their own goals. • Patrimonial character, promoting strategies oriented towards personal gain. • Personal ties are the only source of cohesion and ties to society are ties to individual incumbents, not connections between constituencies and the state as an organization. • Individual beneficiation takes precedence over pursuit of collective goals. • A leaning towards creating 'rental havens' for an inner circle, while investable surplus may be extracted, with little compensation in the form of "collective goods", to the extent of impeding economic transformation. • Policy coordination is confounded by segmentalism. • Absence of a coherent state apparatus makes it less likely that civil society will organize itself beyond a loose web of local loyalties, for the state is isolated from the society it is constituted to serve. The disorganization of civil society is the sine qua non of political survival for predatory rulers – predatory states disorganize society.	• Highly selective meritocratic recruitment and long-term career rewards create commitment and a sense of corporate coherence, giving institutional apparatus a level of 'autonomy'. • Simultaneously to this 'autonomy', however, institutions are 'embedded' in a set of social ties that binds the state to society and provides institutionalized channels for the continual negotiation and renegotiation of goals and policies. • Effective bureaucracies enhance the prospect of effective organized social groupings, but the bureaucracy remains adequately insulated from society to retain objectivity. • Bureaucratic and policy coherence limits individual maximization. • Incentives to engage in transformative investments are increased, and risks lowered. • Generating, facilitating, enabling, an entrepreneurial class with an interest in industrial transformation is the sine qua non of developmental states – developmental states help organize society.

Source: derived from the material of Evans (1995).

These are idealistic interpretations and Evans (1995) emphasises that few states (in the context of newly industrialising countries) model the developmental structure. Pursuant to this theme, he also cautions that: "Structures confer potential for involvement, but potential has to be translated into action for states to have an effect" (Evans, 1995, p13). Notwithstanding, two questions are posed: the first is rhetorical, for it goes about the extent to which South African realpolitik can be mapped to Evans' predatory-state characterisation. This is the stuff of 'state capture' commissions, and not essential to this review. The second question, and one fundamental to this review, is the extent to which developmental-state characterisation can be observed in South African social policy formulation and execution. This is addressed in the following sub-section.

2.5 DEVELOPMENTALISM AS ALLEGED FOUNDATION OF SOUTH AFRICAN SOCIAL POLICY

It remains tempting to contemplate policy formulation as an exercise in rationality. Yet while the process may indeed be clinically rational, at the meta-level of political vision the policy position of the state emanates from an ideological foundation. At a macro-level, policy is formed within the parameters of strategic ambition, articulated as desirable strategic goals. Not only are these goals driven by visionary intent, they are the stuff of election manifesto dogma. While heritage and doctrine are laudable, the burning question remains: what are we to expect of the former liberation movement, in its new role as reformation government?

Johnson remarked, ten years after election of the new democratic government in commentary on the ANC's first decade of rule, that "national liberation parties have felt the need to centralise power and promote greater party and government autonomy, echoing pre-transition ideological commitments, in order to carry out complex and politically controversial economic reforms" (2003, p201). She notes both "internal contradictions and limits to emancipation in anti-colonial resistance, and the parameters for social transformation in societies with a history of armed resistance to settler colonialism" (2003, p201). Johnson adds:

> *Since coming to power, the ANC government has adopted much of the neo-liberal logic of global capitalism… …its emphasis on democratic forms of rule and good governance, the institutionalisation of individual rights and capitalist market economics through a constitutional dispensation, and the scaling back of the state's role in the economy [lead it to being proclaimed] the standard-bearer of liberal democracy in South Africa and the African continent.* (2003, p201).

From this viewpoint, one might expect that social policy would evidence an institutional perspective rather than a social development leaning. The former perspective is one of moral obligation on the part of government and of entitlement on the part of deprived citizens (Weyers, 2013). Weyers comments that "this view often finds its ultimate expression in a constitution-based bill of rights that entrenches the state's liability to provide people with a social security safety net" (2013, p434). Conversely, a developmental view "is predicated on the idea that appropriately designed and implemented programmes would actually enhance its economic development" (Weyers, 2013, p434).

Seekings (2007) also suggests that social policy reflects reformism, rather than developmentalism, and that an alternative position is unlikely given entrenched electoral dominance of the ruling party, and the incipient risk of alienating voters by retrenching social welfare income transfer. This author emphasises that the ANC-led government has not materially changed the scope of protective welfare inherited in 1994 and that income transfer by old-age pension, disability grant and child support grants were introduced by the state prior to the apartheid state's assumption of government in 1948. The reader's attention is drawn to Hickey's (2007) observation noted in sub-section 2.4.1 supra of the political contracts that form as a consequence of favourable reaction to political action. Politically, promoting the immediate welfare of the significantly disadvantaged is defensible. Morally, the absence of universal social protection may be criticised as contradicting constitutional injunction and the discriminatory tools of selecting deserving welfare recipients may be criticised as indefensible. Practically, however, the affordability of a non-contributory, redistributive protective safety net constrains the largesse of government and ultimately must silence critics of the absence of promotive measures. "It is, therefore, important for those advocating the extension of social protection to articulate precisely the scope and reach of new programs, while emphasising their importance in the process of social and economic development" say Nino-Zarazua et al. (2012, p171).

This debate, the argument of the merits of developmental welfare versus the merits of dependency welfare, is perhaps condemned to remain unresolved in the South African context. "Not surprisingly, high incidence of extreme poverty in African countries, and low numbers of 'rich' people, lead to the finding that taxes would need to be prohibitive to ensure poverty eradication" (Nino-Zarazua et al., 2012, p171). Notwithstanding this seemingly irreconcilable position, the South African government does have a social policy position, and exercises authority in the execution of that policy.

Conceptually, it is necessary to explore the factors that have shaped and continue to shape this policy stance. The current democratic government, in 1994, inherited a polity that had taken decades of revolutionary struggle to dismantle. Amending the accompanying socio-economic circumstance had to be undertaken with an existing welfare dispensation comprising both policy objective and mechanism. Modifying that

system and its stratified underpinnings had to be undertaken within the parameters of financial and institutional capacity. Hence the factors shaping South African social policy are observed as two-fold: legacy and ambition.

2.5.1 Developmental policy ambition versus institutional pragmatism

Cognisant that there exists a tension between the contradictory perspectives of institutionalism and social development, the starting point for evaluating the government's policy position is to contemplate the position assumed in the macro-economic strategy frameworks championed by the Reconstruction and Development Programme (RDP) in 1994, the Growth, Employment and Redistribution (GEAR) Framework introduced in 1996 and the National Development Plan launched in early 2013.

Introduced in 1994, the Reconstruction and Development Programme (RDP) served as statement of policy position for the new government. Perhaps a little fancifully, the ANC proclaimed that "because it is a liberation movement and based on the traditions of the Freedom Charter – [it] is the only political organisation which can bring together such a wide range of social movements, community-based organisations and numerous other sectors and formations" (ANC, 2011). The RDP emerged out of the deliberation of the ANC and its alliance partners (the Congress of South African Trade Unions and the South African Communist Party) and selected parties, including civil society. The ANC explains that "the RDP is a plan to address the many social and economic problems facing our country - problems such as violence, Iack of housing, Iack of jobs, inadequate education and health care, Iack of democracy, a failing economy" (ANC, 2011).

Unequivocally, this proclamation serves to clarify a policy stance of the fledgling democracy of developmental welfare rather than the protective welfarism that characterised the previous regime's stance on social welfare. Pelham observes that "in the post-apartheid era, the ANC's Reconstruction and Development Programme (RDP) was aimed at attacking poverty through service provision by improving access to water, housing, electricity and health, in preference to welfare" (2007, p17).

While the RDP served as development policy cornerstone, it did not deliver the economic growth imagined and the introduction in 1996 of the Growth, Employment and Redistribution (GEAR) Framework marked a shift to competitive growth: "a transformation towards a competitive outward oriented economy" (Department of Finance [DOF], 1996, p1). The goal is phrased thus:

As South Africa moves toward the next century, we seek:

- *a competitive fast-growing economy which creates sufficient jobs for all workseekers;*

- *a redistribution of income and opportunities in favour of the poor;*
- *a society in which sound health, education and other services are available to all; and*
- *an environment in which homes are secure and places of work are productive.*

(DOF, 1996, p1)

Aliber (2001) cites the then-Minister for Social Development, Dr Zola Skweyiya, in a Budget Vote Speech to the National Assembly, 3 April 2001: "We have changed the paradigm within which we operate from welfarism to social development as reflected in our change of name [from RDP to GEAR]. We seek to promote services and programmes that enable people to move out of poverty" (Aliber, 2001, p1).

The GEAR Framework established a welfare position that was ostensibly transformative:

> *Partnerships between the state and voluntary organisations centred on developmental welfare services will focus attention on the vulnerable, especially in under-serviced areas, while freeing resources from expensive institutionally-based services.* (DOF, 1996, p15)

Yet, this is where pragmatism comes to confront ambition. The GEAR Framework conceded without embarrassment that:

> *By far the greater part of welfare spending is devoted to social grants, which assist some 3 million elderly or disabled persons or needy children. These transfers play a vital role in poverty alleviation, especially in rural areas.* (DOF, 1996, p15).

Grants payments have been isolated as social protection in its purest form. Unconditional cash transfers serve no transformative purpose, nor provide any springboard effect. They are, quintessentially, the most elementary of safety nets. This safety net caught 13 million grant recipients measured in January 2010 (Government Communication and Information System [GCIS], 2011). This figure increased to 16 938 608 grant beneficiaries measured at 30 September 2015 (South African Social Security Agency [SASSA], 2015). SASSA reported 17 453 451 grant payments as at 28 February 2018 (Malange, 2018). Notably, the grant amounts have not increased in real terms, given the impact of inflation. More tellingly, the budget for social assistance consumes the substantial bulk of the Social Development budget. Then-Minister Bathebile Dlamini, in her Budget Vote speech on 4 May 2016, accounted as follows:

> *The Department of Social Development received a budget of R148 Billion this financial year. Of this amount, R140 Billion goes directly to poor households to support the elderly, people with disabilities and children. Budget Vote 17 remains faithful to the vision and ideals as expressed in*

> *our Constitution. The commitment of the ANC led government towards the progressive realisation of these constitutional rights is expressed through the expansion of our social assistance programme to almost 17 million South Africans.* (SASSA, 2016).

It is difficult to reconcile 94.6% of R148 billion disbursed on unconditional cash transfers as evidence of developmentalism, for these cash transfers serve at the level of individual, to sustain life and not enhance human capability. Seekings emphasises the dichotomy between ostensible social development and apparent institutional protectionism thus:

> *The basic design of South Africa's public policies affecting both distribution (through the labour market) and redistribution (through education, health care and welfare) has experienced only minor changes not only since the end of apartheid, but since as far back as the 1920s and 1930s.* (Source, 2013, p5)

Regarding the evidential outcome of social policy as better evidence of policy position, Seekings underscores the methodological flaws of the state's determination of deserving recipients of social assistance, claiming that "the current shape of the welfare state has not been justified, in terms of an adequate analysis of need and disadvantage" (Source, 2007, p20).

Setting aside for the time being the apparent contradiction between policy ambition espousing developmentalism, and the experience of protectionism, it is conceivable that the construct of developmental welfare may be differentially understood. The following section seeks to clarify if a distinction exists between the overarching understanding of developmental welfare and the explication of government.

2.5.2 Distilling the essence of South African developmental welfare

A social development approach to social welfare is commonly asserted to encompass the promotion of human as well as economic development (Midgley and Sherraden, 2000; Midgley and Tang, 2001; Patel, 2005; Geyer and Lombaard, 2014). The White Paper on Social Welfare expresses the constitutional vision and articulates government's social development goal most clearly:

> *Social security, social services and related social development programmes are investments which lead to tangible economic gains and in turn lead to economic growth. Without such social investments, economic growth will fledgeling. […] Welfare expenditure will only be able to expand as higher economic growth rates are achieved. […] Understanding the impact of social spending on growth is critical to ensure that trade-offs do not bias spending against social development or*

> *growth…A social security system is essential for healthy economic development, particularly in a rapidly changing economy, and will contribute actively to the development process. In a society of great inequality the social security system can play a stabilising role. It is important for immediate alleviation of poverty and is a mechanism for active redistribution.* (Republic of South Africa, 1997, p51).

However, Pelham remarked in 2007 that the White Paper, "which adopted a UN-advocated social development approach recognising that social and economic development are mutually dependent on and supportive of each other, is evidence that the pendulum has swung back in favour of social welfare" (2007, pp17-18). Pelham's commentary acknowledges the criticism levelled at the draft White Paper introduced in 1995, which was thought to devote too little attention to social grants. The 1997 White Paper better recognised the symbiosis of social and economic development, in line with the introduction of the GEAR Framework's emphasis on a competitive economy that simultaneously favoured a redistribution of income and opportunities in favour of the poor.

GEAR was to run its course and then Minister in the Presidency, Minister Trevor Manuel announced the NDP in November 2011 on behalf of the National Planning Commission (NPC). In the NDP overview, the Plan records the government ambition to make the leap from a so-called passive citizenry to "a state where people are active champions of their own development, and where government works effectively to develop people's capabilities to lead the lives they desire" (NPC, 2011). The simultaneous interplay and interdependence between economic and social interventionism, and hence performance vulnerability, is underscored by this exhortation:

> *The success of this approach is premised on:*
>
> - *The active efforts and participation of all South Africans in their own development*
> - *Redressing the injustices of the past effectively*
> - *Faster economic growth and higher investment and employment*
> - *Rising standards of education, a healthy population and effective social protection*
> - *Strengthening the links between economic and social strategies*
> - *An effective and capable government*
> - *Collaboration between the private and public sectors*
> - *Leadership from all sectors in society*
>
> (NPC, 2011, p2).

Then-president Jacob Zuma announced the handover of the National Development Plan (NDP) in August 2012, proclaiming that "regardless of our political differences, we broadly agree on the need to build a united, non-racial, non-sexist and prosperous South Africa" (Zuma, 2012, p2). Zuma pointed out that the National Planning Commission had "contributed significantly … to the policy making process inside government" and that the Commission had reported in 2011 "that the elimination of poverty and the reduction of inequality were the objectives of a long term plan (Zuma, 2012, p2). Inter alia, Zuma noted that the Commission had identified nine impediments to achieving these ideals: unemployment, poor quality education, inadequate and failing infrastructure, spatial divides, an unsustainably resource-intensive economy, a public health system under siege, an admittedly uneven provision of public services frequently exacerbated by poor quality service delivery, high corruption levels and a society which remained divided, twenty years into democracy.

Prophetically, in light of student protest characterising 2015, the NDP ominously warned that "reaping the benefits [of fewer very old and very young relative to those of working age, and young people making up over 25 percent of the total population] will only be possible if sound education and skills training are provided. Jobs must follow. If South Africa fails to do this, its large youth cohort could pose a serious threat to social, political and economic stability" (NPC, 2011, p87).

What is to be made of the semantic differential that distinguishes South African appreciation for developmental welfare, and the construct as it prevails in largely European context? The preceding sections suggest a divergent interpretation of social development persists. Social protection has been traditionally understood (see section 2.4) as a social safety net, comprising social assistance. Transformative, or developmental welfare, is elsewhere traditionally understood to encompass the promotion of economic opportunity and the provision of contributory social security (such as the UIF).

While the RDP of 1994 and the White Paper on Social Welfare of 1997 made reference to a developmental approach to social welfare, this construct has not been clearly defined giving rise, as Lombaard puts it, to "years of debate and a diversity of interpretations of the attributes that should be allocated to the construct" (Lombaard, 2008, p158). This is predominantly still the case. An Afro-centric understanding of social development, embracing both social protection as well as transformation has, however, emerged and this requires tracing the process by which the South African social security system has been refined.

During the course of 1999 the DSD convened an inter-departmental task team that identified a number of shortcomings in the South African social security system including, crucially, "large numbers of South Africans… [remaining] …vulnerable to harsh poverty with limited means of advancement" (Taylor Committee, 2002, p9). This task team went on to propose a Committee be established to determine, inter alia, alternative options for a comprehensive South African social protection system (Taylor Committee,

2002). The findings and recommendations of the Taylor Committee form the core of the contemporary government policy response to the need for social protection.

Taylor (2012) proclaims that social protection should be understood, especially in an African context, as a package deal of policies and programmes promoting labour market efficiencies, reduced risk exposure for citizens, capacity development, income protection as well as basic social services. This interpretation flows from the inaugural African Union Conference of Ministers of Social Development held in Windhoek, Namibia in 2008 where a Social Policy Framework for Africa was adopted. If the notion of social protection is understood within this interpretation, the apparent anomaly fades – South Africa's social development stance encompasses both protectionary and transformative perspectives. Six areas of social policy intervention are observed by Taylor (2012) to prevail in South Africa:

i. Health poverty based measures
ii. Education poverty based measures
iii. Assets poverty based measures
iv. Self-targeted provision
v. Universal provision
vi. Social assistance categorical provision

Distinctive, but always transformative, types of provision emerge in respect of each of Taylor's six areas of policy intervention. These are summarised in table 2-3. Intervention may be interpreted to be executed at four levels of service delivery, based on the declarations of the DSD in its 2013 Framework for Social Services. The DSD asserts that "current legislation refers to prevention, early intervention, statutory intervention, and reunification and aftercare" (DSD, 2013, p29). Social welfare provisioning is interpreted by the DSD in terms of this Framework to comprise service priorities, as depicted in table 2-4.

The nature of these services is both anticipatory and responsive. In the case of the former, no individual risk is identified, and interventions target the general public. In the case of the latter, selective interventions and focused interventions respectively target sub-groups and individuals experiencing elevated social risk or "detectable signs or symptoms of social problems" (DSD, 2013, p30). The impetus for the brand of social welfare practiced by the DSD is the constitutional imperative which, as noted by the DSD (2013), requires government to meet basic human rights and social and economic rights. Creating a new society, free of discrimination requires "adoption of relevant policies and legislation to reflect the vision and values of the new society" (DSD, 2013, p13).

Table 2-3: Forms of South African government policy intervention

Focus	Type of provision
Health-poverty based measures Championed by the Department of Health	Access to primary health care, free health care for pregnant women and children under 6 years Nutritional supplements for mothers and babies
Education-poverty based measures Championed by the Department of Education	Access to free schooling Early childhood development Edu-care Loans and bursary schemes for higher education and further education and training. School feeding schemes
Assets-poverty based measures Championed by the Department of Agriculture, Land & Housing	Free housing for households with income below R3 500 per month Farm Inputs (seeds, training, implements, funding)
Self-targeted provision Championed by the Departments of Water and Labour, and Local Government	Working for water, Working for fire, Expanded Public Works Programmes (EPWP) Social sector public works programme, infrastructure programme, Community Works Programmes Short term work opportunities of 100 days per annum offered below market related minimum wage levels
Universal provision Championed by National Government	Certain staple foods are zero rated for VAT Specific allocation of free water and electricity
Social assistance provision Championed by the Department of Social Development	Social Grants Social Relief –temporary income support and food parcels as emergency ad hoc aid

Source: Adapted from Taylor (2012).

Table 2-4: Levels of Department of Social Development welfare intervention

	Objective	Focus
Prevention and promotion	Primary prevention of social problems.	Strengthening capacity, self-reliance and resilience of service beneficiaries.
Early intervention	Early identification of risks, behaviours and symptoms in individuals, groups and organisations.	Facilitating change in individual, environment and societal factors impacting adversely on wellness.
Statutory care (including residential facilities and alternative care)	Restoration of identified service beneficiaries' to an improved level of social functioning and quality of life.	Protection, rehabilitation and continued care services for individuals identified as unable to function adequately in the community.
Reunification and aftercare	Enable service beneficiaries to regain self-reliance and optimal social functioning.	Facilitation of reintegration of individuals into community life after separation, including building optimal self-reliance in residential care facilities.

Source: Author, from the Framework for Social Services (DSD, 2013).

Disconcertingly, the DSD's espoused adherence to the constitutional mandate, policies and legislation is diluted by the explicit reference, in 2013,to the approach being "based largely on the White Paper for Reconstruction and Development (1994), which has as one of its goals, socio-economic development through poverty alleviation" (DSD, 2013, p13).

Of interest and significance, is coincident acknowledgement by the DSD and the NPC of vulnerability as target for intervention. The NDP refers to the so-called life-cycle model of welfare provisioning that sets out to identify vulnerability arising throughout an individual's lifespan, requiring government intervention to ameliorate adverse socio-economic impact from birth through the education phase, to production and accumulation and finally dependency in old age (NPC, 2011). The DSD recognises this vulnerability and adopts as primary target for intervention, six specific target groups identified as:

> *...more vulnerable than others in South African society. These groups are:*
>
> - *Children*
> - *Youth*
> - *Women*
> - *Older people*
> - *People with disabilities*
> - *Internally displaced people.*
>
> (DSD, 2013, p30).

These groups of vulnerable individuals are targeted for all four levels of welfare intervention: prevention and promotion, early intervention, statutory care, and reunification and aftercare, aimed at children, youth, adults and elders. The model of social welfare provisioning is reproduced in figure 2-3. The essence of the government integrated framework for delivering social welfare services is vulnerability, arising throughout the four life stages. Focus areas suggest that poverty alleviation is primary and that rehabilitative restoration of dignity and satisfactory integration within community is a close second. These goals are unmistakeably rooted in the human rights constitutional imperative.

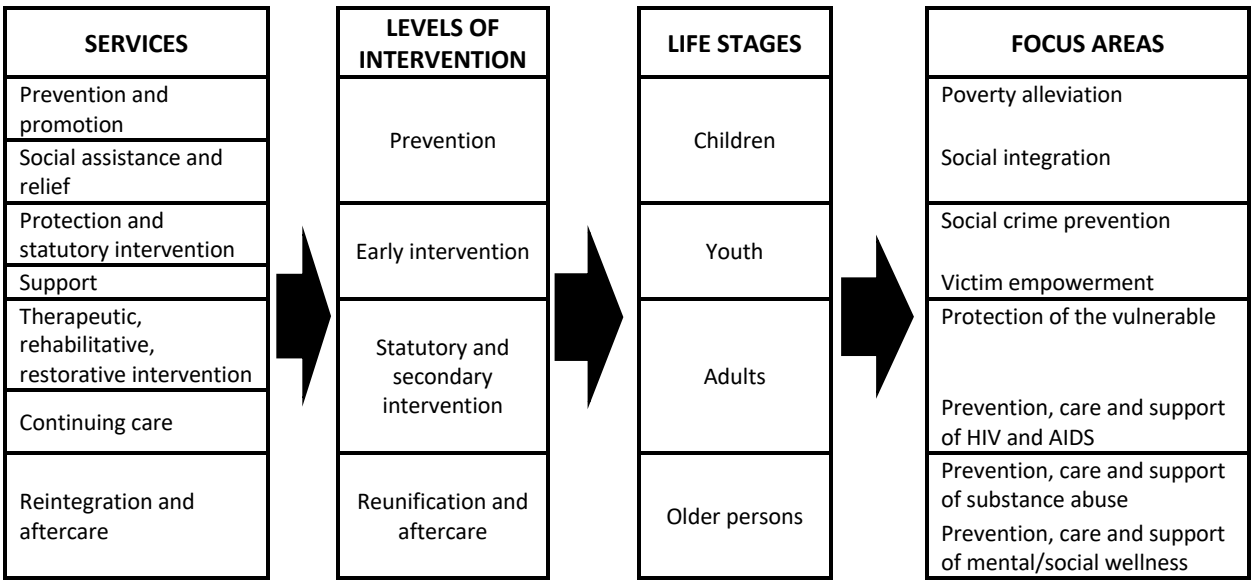
However, this is but one of the five elements regarded by the DSD as fundamental to a developmental approach to social welfare. The five elements (DSD, 2013) are:

i. Human rights: protection from oppression and marginalisation
ii. Harmonised social and economic policies
iii. Participation and democracy

iv. Collaborative partnerships with expert role players

v. Simultaneous individual-level and community-level intervention, seeking to ameliorate ill-being at the level of individual, as well as changing community-level structures that contribute to or promote injustice.

Figure 2-3: Integrated framework for social welfare services



Source: Reproduced with adaptation from DSD (2013, p36).

Sepúlveda and Nyst (2012) affirm that recognising and reinforcing the basic human rights of vulnerable people can shape efforts to reduce poverty. These authors contribute a final assessment on the interplay and interdependence of social and economic development, and hence developmental social welfare. They point out that the:

> *...beneficial impacts of social protection systems on the enjoyment of a number of economic, social and cultural rights add further weight to the claim that there is a strong and symbiotic relationship between human rights and social protection. Human rights create legal obligations to implement social protection systems and establish standards for the design, implementation and evaluation of such systems. In turn, the implementation of social protection facilitates the fulfilment of a number of other human rights obligations, most importantly those related to the enjoyment of minimum essential levels of basic economic, social and cultural rights (social protection floor). However, the success or failure of social protection systems in realising human rights rests heavily on*

> *whether such systems are established and operated according to the standards that human rights require and the obligations they impose.* (Sepúlveda and Nyst, 2012, p25).

Of course, if reasoned analysis (to follow in the discussion undertaken in chapter 8) determines the state's ambition to deliver protectionist social assistance in the form of unconditional grants, is devoid of the necessary planned intentions and associated actions attached to what may be construed as 'developmental welfare', then censure of the state modality is warranted.

2.6 SUMMARY AND IMPLICATIONS

This chapter sets out the concepts and precepts of social welfare - accommodated as social policy - commencing with what may be regarded as a universal, or at least mainstream understanding of social welfare. This proceeds to an appraisal of the social welfare narrative in contemporary South African understanding. This national appreciation, of welfare in a recently liberated emerging economy, is observed to be simultaneously driven by policy as well as instrumental in generating policy. It is apparent that the human rights narrative that underscores the constitutional mandate in terms of which public policy and hence social policy is deliberated, contributes in part to the diversity of interpretations of South Africa's social welfare stance. These contradictions arise with regard to the apparent paradox of what is claimed to be a developmental welfare position, reinforced by government's macro-economic policy position. However, the overwhelming evidence suggests that poverty alleviation is the primary objective and outcome, achieved through unconditional grant payment protectionism.

Traditional understanding of social welfare, noted as a construct which can be criticised as Eurocentric in origin and nature, regards social welfare to be a matter of 'safety nets' and 'springboards'. Reconciling the apparent contradiction of South African evidential policy and articulated policy position, is made easier by acknowledging that the enormity of socio-economic deprivation and vulnerability obligates in the first instance a considerable safety net. This safety net is observed to catch just over thirty percent of the national population, in the form of an unconditional monthly cash grant. It is no exaggeration to interpret this as the observation of a redistributive moral imperative, exercised by government on behalf of the general population within the mandate of a human-rights-based constitution and observed to absorb significantly more than ninety percent of the national welfare budget.

On this foundation of what has been and will doubtless continue to be termed beyond African borders as 'institutionalist', 'protectionist', a 'safety net', government's social policy position hails social development as the necessary fulcrum for arresting socio-economic decline and emplacing a springboard for individuals and communities to embrace greater responsibility for their life outcomes. For, with social and economic

inclusion, comes self-esteem and opportunity to exercise one's human right to full citizenship. However, the unappetising appraisal is that there is perhaps too short a resource-lever with which to raise the deprivation status quo from the mire of poverty, stagnancy and socio-economic alienation.

In summary: the ambition for any society is one where prosperity and material comfort is optimised. This requires sacrifice on the part of the well-off, to achieve an improvement in the wellbeing of those who are not well off. This chapter has encapsulated the primary points of understanding of the appropriate mix of policy and legislation promoting social and economic inclusion. It has been established that there is not necessarily consensus on the scope and form of policy and programmes. The emphasis is viewed alternately as income security, as protection against livelihood risks, as enhanced social status and rights of the marginalised, as redistribution from the rich to the poor. It is revealed that the dichotomy of opinion exposes a nerve; specifically, the degree to which a society acknowledges the vulnerability and consequential deprivation suffered by some of those in its midst. It follows that a society's value system can be evaluated not only in terms of statement, but in terms of action and outcome.

Actions are the stipulation of a realistic and achievable policy framework, adherence to a framework of principles, deliberation of priorities and determination of actions. To this end, this chapter has identified the framework for social welfare services that has both emerged, and that has been formally documented as such. The framework very lucidly, comprehensively and compellingly, identifies services, levels of intervention and focus areas that serve as mechanism for assisting South Africa's most vulnerable to gain access to comprehensive citizenship as functioning and participating citizens. This mechanism very eruditely and emphatically co-opts civil society as collaborative partner in working towards social development. Accordingly, the research process is obliged to discern not only the framework by which a portion of civil society has been seduced to serve the state as a collaborative sub-contractor, but also the ramifications of this strategy for civil society generally, and the prospect of giving effect to developmental welfare in this way. This obligation is honoured in the following chapter, chapter three.

This research surmises in the first wave, that the contribution of civil society - specifically welfare NPOs - may be compromised were it the case that the NPO welfare sector's members demonstrate a distribution that fails to coincide with the dispersion of population deprivation. While government's policy for welfare service delivery has been subjected to appraisal in this chapter, and the NPO sector is to be appraised in review in chapter three, it remains to establish an unequivocal frame of reference by which deprivation may be understood. This is undertaken in chapter four, and clarifies the constructs and precepts by which deprivation is scholastically understood, so that the research propositions can be appropriately accomplished.

Finally, it is considered that the second wave of research can only adequately fulfil its purpose if the quantitative data analysed over a five year period in the cause of determining the impact of government's social development modality on deprivation, is buttressed with a reasoned contemplation of the institutional capacity held to be fit for this purpose. This implication is prompted by the severe paradox evident in the contrast of government's espoused developmental welfare position, with prevailing scholastic opinion.

CHAPTER THREE
NON-PROFIT ORGANISATIONS

3.1 INTRODUCTION

The conceptual framework depicted in chapter one guides both the design of the research, and the form and flow of this research report. The conceptual framework denotes the micro level matter of welfare service provision, as the cascaded outcome of meta- and macro-level considerations respectively of vision and strategy, percolating through the meso-context of government's operationalisation of welfare provision. This execution was denoted as achieved by direct, government intervention and indirect, contracted intervention of third-party welfare service providers.

Having established how social policy informs social intervention in the previous chapter, chapter two, this chapter attends to definition of the frame of reference that manifests as indirect, state contracted welfare service provision. Principally, this requires elucidation of nonprofit organisations, statutorily regarded to be forms of association established for so-called public purpose. Such forms of association arise in several configurations, including as companies of well-meaning persons, with formalised association recognised by the Companies and Intellectual Property Commission (CIPC). However, it is unnecessary for NPOs in South Africa to have distinct juristic form independent of the registration as NPO with the DSD's NPO Directorate. Conceivably, the greater preponderance of registered NPOs are simply associations of what one would hope are well-intentioned people, who have established an organisational form of which "the income and property … are not distributable to members or office bearers except as reasonable compensation for services rendered" (NPO Act 1 (x) (b), 1997, p3).

While the primary distinguishing feature of NPOs is consequently their benevolent objectives (this beneficence established in the accumulation of profits for further benevolent purpose should profits accrue), this perspective in no way informs an adequate definition. NPOs are, ultimately, spawned as an aspect of civil society. In turn, civil society may be regarded to have demonstrated a distinct status (independent of non-secular benevolent groupings) from the beginning of the 20th century. The first objective of this chapter is consequently to establish the realm of so called civil society, the milieu from whence NPOs derive their roots. It is possible to temporally trace the origin of the concept of civil society as defender of state citizens against state incivility; in other words, the intransigence or inability of the state to address the needs of citizens.

From this understanding, the emergence of so called non-government organisations (NGOs) can be traced. NGOs' reach often extended (and continues to extend) beyond national boundaries. In contemporary terms and in an environment of elevated government control, even if only in the form of recognition and seemingly innocuous regulation exerted over civil society, we see the emergence of the concept of the NPO.

It is necessary to explore the origin of these constructs - civil society, NGOs and NPOs - for this significantly informs the realm within which NPOs operate. This advances an understanding of the scope and role of non-profit activity. This background serves as platform against which this review then identifies the role and regulation of South African NPOs and identifies the international standard by which NPOs are classified.

The chapter commences with a review of the origins of civil society, investigating alternately the European roots of the distinction between government and independent social organisation, and the proliferation in the last century of terminological description of civil society organisation. This proliferation forms an alphabet soup of acronyms, the most ubiquitous of which remains that of 'NGO'. Ontologically distinguishing NGOs is not merely taxonomic. Chiefly, some NGOs seek to provide benefits to members, while others enjoy a broader focus, so-called public-benefit NGOs. However, what may be considered as a universal South African taxonomic classification is one that emerged in the early years of this century, being a distinction between implementation-oriented, and protest-oriented NGOs. This reflects the historical roots of South African civil society in the 20th century, with secular citizen groupings distanced from the state either through generally adversarial state contestation or by outright government ban.

A further level of NGO classification is a distinction between welfare-oriented citizen groupings seeking primarily to redress the immediate adverse consequences of uncivil government policy and action, and the more recent emergence of development-oriented NGOs. The latter group is considered by some scholars to represent an inevitable advance in the characterisation of NGOs. This view regards humanitarian activity aimed at rehabilitation prompted by adverse short-term imposition on vulnerable individuals and communities as necessary, but secondary to longer term remedial, developmental, intervention.

It is important to emphasise this distinction, for it is the crux perhaps around which government's assertion of South African welfare practice to be one of developmental welfare, revolves. However, it is necessary to first illustrate the emergence in the literature since the 1990s of the non-profit organisation (NPO) nomenclature. With the conceptualisation of NPOs defined, the regulatory process by which NPOs are brought about in South Africa is recorded. This too, represents a core point of departure, because the conceptualisation of a non-profit-distributing, well-intentioned, citizen-wellbeing-oriented, association of

persons does not require statutory determined registration. However, given the substantive adversarialism of advocacy-oriented civil society in the preface to transfer of the reins of power from one nationalist grouping to another in the 1990s, couched opaquely in the rhetoric of 'democratic transition', prompted the current government to exert control over civil society by advocating registration 'in the interests of the sector'. A record of this contradiction between ostensibly well-intentioned government interest in sectoral wellbeing and the derisory observations of civil society, is provided.

Finally, the classification systems that seek to sort and catalogue NPOs are recorded, commencing with the rationale of NPO classification typologies and concluding with the United Nations family of classifications of economic activities and ultimately, the International Classification of Non-Profit Organisations (ICNPO). This is the classification adopted by the South African government, and which serves to arrange our understanding of non-profit activity where commercial revenue generation is negligible or absent.

The NPO focal variable of the research thus defined and circumscribed, providing the framework by which the research data is both collected and interpreted, the chapter concludes with a summary and my reflections of the implications these points of observation have for both the study objectives, and further research in this sector. This enables the facilitation of new perspectives and the development of new knowledge, incorporating as it does a challenge to the assumptions that conventionally accompany understanding, and interpretation of the Trojan horse that is the burgeoning NPO sector.

3.2 THE ORIGINS OF CIVIL SOCIETY

There are two complexes of institutional reality, inarguably accepted and embraced into the nomenclature of economic life: the private and public sectors, otherwise referred to as the market and the state. Less clear is the existence of a further abstraction, that of the third sector, occupying a distinctive social space outside of both the market and the state (Salomon and Anheier, 1992, p136). Indeed, the definition of the third sector seems at face value to be ethereal, evading clear definition. Considerable effort has been expended in retrieving the threads of the origins of the third sector. Much of this has emanated from the Center for Civil Society Studies situated in the John Hopkins University Institute for Policy Studies, pioneered by the early work (from the early 1990s) of Lester Salomon.

Salomon makes reference to a terminological triangle in this early investigation. He maintains that the range of terms used in contemporary treatment to assign meaning to the third sector, ranging from non-

profit sector and voluntary sector through associational sector and *economie sociale* to non-governmental organisations, misrepresent the reality of the third sector. The foundation for his argument is that each definition seeks to emphasise an aspect of the reality of these third sector representations, overlooking other aspects (Salomon and Anheier, 1992). A synopsis of these definitional sets follows in table 3-1.

Table 3-1: The enigma of terminological description of the third sector

Terminology	Etymology
Charitable sector	Terminology emphasising the support afforded these organisations by private, charitable donations.
Independent sector	Terminology emphasising the role of these organisations as a 'third force' outside the realm of government and private business, even though they remain financially dependent on government and/or private business.
Voluntary sector	The significant input that volunteers make to the management and operation of this sector is emphasised, although this does not adequately reflect that paid employees frequently outnumber unpaid volunteers.
Tax-exempt sector	Terminology emphasising the feature that many countries' tax laws exempt these organisations from taxation, but does not convey the characteristics that qualify organisations for this treatment in the first place.
NGO	Terminology often used to depict these organisations in the developing world, but which does not align to the broader understanding and inclusion of organisations in the developed world.
Economie sociale	The term used to depict a broad range of non-governmental organisations in France and Belgium, and increasingly within the European Community institutions, but contradicts the understanding of societies where business-type organisations such as mutual insurance companies, savings banks, cooperatives and agricultural marketing organisations are considered part of the business sector.
Non-profit sector	A term that emphasises that these organisations do not exist primarily to generate profits for their owners; however, fails to reflect that these organisations sometimes do generate more revenue than they spend in a given year.

Source: Adapted from Salomon and Anheier (1992).

Notwithstanding this reservation, it remains possible to trace the origin of the third sector, broadly represented by terminological constructs such as NGO and NPO, in the conception of civil society. This conception is centuries-old, precluding this review from undertaking an exhaustive historical analysis to derive the origins and thence the development and ultimately the origin of non-profit institutions. However, Kerlin points out that comparative historical analysis can be "borrowed from sociology and political science" (2013, p86) to discern how institutional processes and patterns and social context confine the emergence of institutions over time. She further points out that "current institutions largely responsible for shaping different models of social enterprise initially arose from a rich mix of culture, local (including social classes), regional, and global hierarchies, and political-economic histories" (Kerlin, 2013, p87). This

view shapes the path taken in tracing the origins of civil society to document the foundation of the "third sector" or, as it suits this thesis, the nonprofit component of the third sector.

Keane (2010) records that the distinction between civil society and the state can be traced to European roots with a revolution occurring between the mid-18th and 19th centuries when a distinction came to be drawn between government – traditionally *societas civilis* – and a distinct social life incorporating independent churches, publishing houses and voluntary associations. Keane adds that civil society did not feature for much of the mid-19th to mid-20th centuries, adding that the term 'civil society' was not in vogue until the 20th century, even attracting hostility in some quarters.

The distinction represents a shift in cultural understanding. Neem (2004) tells us that political belief eschewed voluntary association for the public good. This view is an entitled one in at least this respect: the church for the most part, was supported by taxes. Federalists "believed that in a republic the people's interests and the state's interests were the same, since voters elected their own rulers" (Neem, 2004, p381).

Clearly, and notwithstanding the views of religious or political leaders, voluntary association can be religious or political, or counter-religious or counter-political. There is, after all, no limitation on voluntary association. However, the scope of this research enquiry is beyond non-secular associative interest. This research interrogates the distribution of voluntary associations prompted by benevolence with no prospect of the economic gain of associates. In fact, the scope of this thesis is the antithesis of economic gain: the overarching goal is one of campaigning for, or operationalising, assistance for disadvantaged civilians. Within the parameters of this secular perspective, it can be premised that civil society campaigns for an improvement of conditions, or establishing operational mechanisms for the delivery of services to marginalised civilians.

However, it is not impertinent to contemplate that civil society is required to defend civilians against the incivility of ineptitude, negligence or "state *dirigisme* marked by dysfunctions caused by the overreach of the state" (Keane, 2010, p462). Keane establishes a theme: exercise of power by government occurs parallel yet intertwined with civil society; this power is neither relinquished nor devolved to civil society, but discretion in the exercise of power is demanded by civil society as voice of the people (Keane, 2010). In this way democracy is complexioned by the tension between government and civil society as actors. This has become especially so with the growth of civil society organisations in the past two decades. Dalton (2014) emphasises this growth by revealing that an English language media aggregation search of 585 418 documents published between 1982 and 2012, demonstrates no less than a six-fold growth in usage of the

term ‘civil society’ burgeoning from less than 10 000 instances per year in the year 2000 to in excess of 70 000 instances by 2012.

Perhaps Dalton’s factoid merely illustrates the growing generational liberalism that sees individual identity defined less by institutional belonging and more by individual self-belief and distinctive behaviour. This in turn has given rise to greater volunteerism and a greater secular familiarity with the constructs and processes of volunteerism, of which civil society in contemporary form serves as host and conduit. Further, where communication infrastructure abounds, one might also anticipate an upsurge in published narrative, giving rise to a cycle of expressing and knowing; of articulation of malcontent and elevated construct popularity.

However, Salomon (1995, 1999) infers an “associational revolution” he discerns taking place on a global level. Where state policies in particular have demonstrated limited progress in improving the welfare of citizens, civil society organisations have experienced a resurgence as “educated middle class elements who are frustrated by the lack of economic and political expression that has confronted them in many places” (Salomon, 1999, p4) look to address this disappointment.

Dalton also spotlights usage of the term on the world stage: “Comaroff and Comaroff describe the concept as the Big Idea of the Millennial Moment while UN Secretary General Kofi Annan labelled civil society as the new superpower” (Dalton, 2014, p41). However, notwithstanding the terminological ubiquity, there exists a level of discontent in some quarters that the term is used so glibly to describe organisations whose purposes may differ markedly. This potential divergence in understanding warrants further enquiry.

Neem (2004) traces debates on the relationship between church and state to expose the emergence of civil society independent of the church. This emerging voice of independence was viewed with suspicion by those who sought to avoid dissent in the public sphere. Moral conflict was observed to occur between civil society groups with diverging opinions; clearly this had adverse consequences for the state as upholder of the common good shared by a common people giving themselves over to the parochial control of the state. Common values were established through the public church. When private churches first emerged, these implied a growing moral and political diversity. Neem tells us that “in the 1820s and 1830s, religious leaders who supported disestablishment turned to voluntary associations to promote social and political reforms that they believed served the common good” (Neem, 2004, p385). In effect then, the birth of civil society has its roots – at least in part - in the secularisation of the state.

Dalton reveals the Hegelian conception of civil society, from the influential work of German philosopher Hegel [1770 – 1831]: "Tying the term to a specific set of institutions or organisations that are held to mediate between public and private life" (Dalton, 2014, p43-44), "organisations like these (churches, labour unions, political parties, most social movements, and NGOs) are held to be critical for the development of the type of people who can participate as full citizens in the political life of a modern state" (Dalton, 2014, p44). It is interpreted that where citizens are not given a voice by civil society, violent confrontation is perhaps an inevitable outcome in non-civil societies. Perhaps where citizens are given freedom and opportunity to participate fully in social life, greater social cohesion may be expected to follow? Civil society, within this perspective, provides citizens with a conduit for association and hence a voice to speak out against incivility.

However, it is pertinent to observe that there are contradictions to this conception of civil society as inclusive, participative, transparent, and civil. Not only is it possible to isolate and identify exclusive, ritualistic, corrupt civil society practice, but there exists also a body of thought that decries the relevance of self-governance. Dalton (2014) also reveals the Hobbesian view - from the work of political philosopher Thomas Hobbes [1588-1679] - which maintains that individuals are too driven by passion as opposed to rational self-interest, to not be subjected to the absolute authority of the state. This authoritarian conceptualisation is neither popular nor does it add value to this review. While the earliest conceptualisation of the construct of a 'civil society', independent of government, may be contradictory, the dominant theme is summed up thus: "The modern idea of civil society is premised on the right of individual citizens to associate and for their institutions to gain the legal privileges connected with incorporation" (Neem, 2004, p381).

Setianto (2007) regards civil society as remaining ill defined, the contemporary re-emergence of a civil society discourse notwithstanding. He does, however, suggest three characteristics by which civil society may be contemplated. The first is that the rule of law prevails as the mechanism by which civil society operates; the second is that civil society is influenced by both the private and public sectors, standing either in opposition to or support of either sector; the third is that civil society is characterised by voluntary association and free public debate. Within this frame of reference, it is possible to discern alternative civil society forms; it remains to identify these, and to trace their evolution and contemporary manifestation as non-government organisations and non-profit organisations.

3.3 EVOLUTION OF THE NON-GOVERNMENT ORGANISATION AS FORM OF CIVIL SOCIETY

The right to associate enables participation in public life and may be regarded as a tenet of democracy. Democratic freedom aside (because civil society is represented in both democratic and authoritarian regimes), associations "represent an important vehicle for ideas and debates, and constitute the real space for promoting reform" (Makary, 2007, p77). This is not to say that civil society is in opposition to government. However, the public sphere is regarded as a theatre for political contestation (Willetts, 2002; Makary, 2007; Setianto, 2007).

While this may suggest that institutionalised representation is primarily adversarial, with civil society representing a conduit for voicing dissent against government incivility and setting out to defend citizens from incivility, it is important to note that that institutional processes and patterns and social context confine the emergence of institutions over time (Kerlin, 2013).

The modern state, in modern democratic form, does not preclude the relevance of an adversarial stance by civil society; but it would be naïve to presume that civil society has not embraced additional roles. As it serves the thrust of this research, there is merit in pointing out that government and civil society can and do work in relatively harmonious pursuit of overlapping agendas, a significant component of which is the delivery of service to disadvantaged citizenry in the form of social services.

What remains unclear though, is the emergence of civil society manifesting as the ubiquitous 'non-government organisation' of the layman's nomenclature, and the more recently adopted 'non-profit organisation' tag. The goal of this section is to unpack the origin and evolution of the terminology to establish of these labels represent the same or similar understanding. Clarity enables both understanding and contextualisation, for it is the description of civil society as NPO that serves to locate this study.

3.3.1 Towards a definition of non-government organisations

A funded project undertaken by The University of Birmingham, culminating in October 2011, sought to investigate Britain's NGO sector in the post-1945 20th Century. The Database of Archives of Non-Governmental Organisations (DANGO) Project points out the origin of the term NGO can be traced to the assignment of this terminology by the United Nations, to distinguish groups awarded consultative status at the United Nations (DANGO, n.d.). The DANGO project adopted the following definition of the construct of a non-government organisation:

> *An NGO is non-violent organisation that is both independent of government and not serving an immediate economic interest, with at least some interest in having socio-political influence*. (DANGO, n.d., online).

It is not difficult to embrace this definition. Its features align with the characteristics of civil society isolated earlier in this chapter and it aligns with our understanding of society as having three spheres: government, private sector and civil society, or the 'third sector.' More thought-provoking though, is the proposition that the term 'NGO' emanates from the award of consultation status by the United Nations (UN) to representative bodies of civil society.

Willetts (2002) has, as part output of the City University, London, Research Project on Civil Society Networks in Global Governance, documented for the United Nations Educational, Scientific and Cultural Organisation (UNESCO), Article 1.44.3.7 of the UNESCO Encyclopaedia of Life Support Systems in which he unpacks the origin of common usage of the *NGO* terminological reference. Notable is that the predecessor of the UN, the League of Nations, undertook consultation in 1910 with 132 international NGOs. These cooperating organisations assumed the banner of *the Union of International Associations* and the League of Nations made reference to liaison with private organizations. When the UN was established in 1945, lobby groups successfully pressured the UN into adopting a Charter distinguishing the participation rights of 'specialized agencies' established by intergovernmental agreement, from 'non-governmental organizations'. Willetts (2002) notes that the NGO terminology established a level of ubiquitous usage from the early 1970s.

Table 3-2 illustrates the distinction in terminological usage between the terms 'NGO' and 'civil society organisation'. It does not seem unreasonable to acknowledge the ubiquity of the NGO nomenclature; increasing interaction between governments and civil society within the overarching banner of the United Nations, spawned a linguistic artefact that became common parlance. Given the role of the United Nations in germinating the notion of a so called 'non-governmental organisation', it is apposite to document a UN definition:

> *A non-governmental organization (NGO, also often referred to as "civil society organization" or CSO) is a not-for-profit group, principally independent from government, which is organized on a local, national or international level to address issues in support of the public good. Task-oriented and made up of people with a common interest, NGOs perform a variety of services and humanitarian functions, bring public concerns to governments, monitor policy and programme implementation, and encourage participation of civil society stakeholders at the community level.*

Some are organized around specific issues, such as human rights. (United Nations Rule of Law, n.d., online).

Table 3-2: Changes in terminology referencing NGOs

Level of Organisation	From 1945 to early 1990s	Early 1990s onwards
Local	National NGO, at the UN	Grass-roots, community based or civil society organisation, or local NGO
Provincial (or state, within the USA)	National NGO, at the UN	Civil society organisation or local NGO
National	National NGO, at the UN; and NGO, outside the UN	NGO or national NGO or civil society organisation
Regional	International NGO	NGO or civil society organisation
Global	International NGO	NGO or Major Group or civil society organisation

Source: Adapted from Willetts (2002)

The NGO nomenclature proliferated to the point of absurdity. Vakil (1997) identifies 18 distinct-yet-connected labels, reproduced in table 3-3.

Table 3-3: Alphabet soup: evidence of classification confusion

Abbreviated Form	Meaning
BINGOS	Big International Nongovernmental Organizations
CBOs	Community-Based Organizations
CB-NGOs	Community-Based Nongovernmental Organizations
DOS	Development Organizations
DONGOs	Donor Nongovernmental Organizations
GONGOs	Government Nongovernmental Organizations
GROs	Grassroots Organizations
GRSOs	Grassroots Support Organizations
IDCIs	International Development Cooperation Institutions
INGOs	International Nongovernmental Organizations
NGDOs	Nongovernmental Development Organizations
NNGOS	Northern Nongovernmental Organizations
POS	People's Organizations
PSCS	Public Service Contractors
QUANGOs	Quasi-Nongovernmental Organizations
SCOs	Social Change Organizations
SNGOs	Support Nongovernmental Organizations
WCOs	Welfare Church Organizations

Source: Vakil (1997, p2060)

Willetts (2002) further distinguishes national NGOs, transnational NGOs, umbrella groups of NGOs and networks of NGOs. The distinguishing characteristic is the reach of the organisation, operating within or beyond national boundaries, and the extent of the coalition with other, similar, NGOs. The formality of grouping is ultimately the feature by which an umbrella body, or a formal coalition, may be distinguished from a network of NGOs. To this proliferation, can be added the terminology of private voluntary organisations (PVOs), common to the USA (Turner and Hulme, 1997).

Turner and Hulme contributed to the debate by helping "the reader appreciate the range of agencies … and their heterogeneity in terms of scale, location, objectives, relationships and strategies" (1997, p201). Their contribution is most notable with respect to the distinction between "NGOs that seek to provide mutual benefits (benefits to members only) and those that seek to provide public benefits (that is to people who are neither members nor workers of the NGO, or to society at large)" (Turner and Hulme, 1997, p202). Here, it would appear that mutual-benefit NGOs are more likely to be contained in size and scope, for the emphasis is upon the delivery of benefits to a defined group of members. Public-benefit NGOs do not enjoy circumscribed membership. It is consequently unclear as to whom the leaders of such NGOs report or account, aside from - one would expect - funders and donors. Turner and Hulme observe that this has moved some scholars to ponder public-benefit NGOs as "not part of a 'third sector', but … part of the private sector" (1997, p202).

Locally, Bond (2004) resolves the debate by distinguishing between organisations:

> *… that emerge in the implementation of formal social policies (such as welfare agencies or implementation-oriented NGOs) or the reproduction of daily life (mutual aid groupings) - and movements. The latter are both protest-oriented and utopian, in the sense of attempting to construct the community of a future society in the decay of the old.* (pp9-10).

In the context of Bond's distinction, the voluntary associations that are focal variable of this research may be thought of as the former group, welfare agencies or implementation-oriented NGOs, and not the overtly and constitutively libertarian entities where, given South Africa's liberation history, "social movements are seen as agents for cataclysmic social change" (Ballard, 2005, p91).

Vakil (2018) more broadly distinguishes between six categories of NGO, noting that they are not mutually exclusive and also that organisations may come to transition from one classification to another over time. She regards these categories to be advocacy, research, support and development education, together with welfare and development. Advocacy mobilises support for what must ultimately manifest as policy change.

Vakil notes that some scholars are inclined to think of this as incompatible with welfare and development because advocacy is inherently pugnacious. She comments that development education "can logically be subsumed within either a research or advocacy orientation" (Vakil, 2018, p101). She also notes that research-oriented and support-oriented NGOs have dramatically grown in relevance, size and scope, since her 1997 opus, and that many agree that "support-oriented NGOs are often … simultaneously advocacy-, development- or research oriented" (Vakil, 2018, p103). This leaves welfare, and development NGOs, and I isolate these two categories because they are particularly germane to this research enquiry.

3.3.2 Isolating the activity of welfare and development NGOs

Welfare activities can be defined as services delivered to specific groups based on the charity or humanitarian aid model (Vakil, 2018, p102). Vakil regards welfare-oriented NGOs to undertake the provision and delivery of "services to specific groups based on the charity or humanitarian aid model" (p101). She adds that "the earliest NGOs were welfare oriented, aimed at directly providing for basic needs of poor populations, often in response to natural disasters or wars" (p101) but hastens to emphasise that "researchers have frequently questioned the effectiveness of humanitarian relief programs in the context of longer term reconstruction" (p102).

It is pertinent to contemplate the subtext informing this last comment. I believe it can be isolated as stemming from humanitarian aid emerging as social response to natural disaster, where communities devastated by, for example, flood or fire, become heavily reliant for a period of time upon dramatic increases in the provision of aid. In these unusual periods of disruption of stasis, community response provides immediate and rapid relief from the disruption brought about by natural disaster. I cannot bring myself to confidently support that longer-term reconstruction as might be required in South Africa where disaster has been institutionally and structurally brought about, will not require enduring humanitarian relief. Evidence suggests that a substantial portion of South African citizenry, is and will for some time remain, dependent upon continuing humanitarian intervention.

Pertinent to this research, however, is the point that the recipients of humanitarian or charitable aid are 'poor populations'. This study takes the view that beneficiaries of social assistance demonstrate what might be regarded as a 'basket of privations', or multiple deprivations. This perspective is elaborated upon in the next chapter. Suffice to say that being identified as sufficiently needy to warrant some form of humanitarian intervention, suggests that deserving recipients can be interpreted to suffer debilitating shortcoming. This shortcoming could present as consequence of an unexpected shock (natural disaster, rapid onset of a short-term illness preventing earning a wage, or even resulting in the loss of wage employment), or as

consequence of sustained exclusion from access to physical resources, social resources and infrastructure, and income earning opportunity.

Debilitation as may be expected to arise from sustained social and economic alienation, can be expected to manifest as both psychological and physiological. Given my experience and length of service in the provision of both humanitarian and developmental aid, I am inclined to believe that welfare intervention as conventionally conceptualised and operationalised, does not adequately simultaneously address these two foci. Welfare may be regarded as delivery of service which focuses on rehabilitation (and hence may be expected to be comparatively short-term), while development services are aimed at fostering competencies and proficiencies, a focus more closely associated with remediation than rehabilitation. However, a review of what may be regarded as 'development' is the stuff of chapter four, and I return in chapter nine to the contrasting viewpoints of rehabilitation and remediation, where I deliberate what I regard as a more nuanced model of social development practice than the prevailing South African norm.

Vakil provides examples of international NGOs established pre-1950 that, while "now primarily development oriented, … continue to have active relief programs" (2018, p102). She also acknowledges the quagmire that represents understanding of what might be construed as development activity. Inclined towards the definition of Amartya Sen, she consequently holds what might be regarded as a 'people-centred' approach to development. This notion is also elaborated upon in the following chapter, hence I do not dwell upon it here. However, it is wise to point out that what is regarded as the world's largest NGO, a development NGO at that, enjoys "an annual budget of close to$0.5 billion USD" (Vakil, 2018, p102). Hence, while social relief and development to appear to make for suitable bedfellows, it is worth speculating that development intervention, as may be expected to arise in the context of secure funding, are part and parcel of long-term plans (indulged by secure funding streams). This is distinct from the nature of short-term rehabilitative welfare/social relief service provision, where service providers (certainly those in South Africa) plan their service intervention on a short-term, project-by-project basis.

This, while NGOs undertaking welfare service provision are regarded as a providing humanitarian aid, development-oriented NGOs may be contemplated as facilitating people-centred, capability-developing 'trickle-up' social transformation, distinct from movements advocating and agitating for social transformation through social policy revision. However, what remains unclear in this frame of reference is that the literature on NGOs does not identify the origin or structure of non-profit organisations (NPOs) or the relationship that the two constructs bear to each other. It consequently remains to unpack the evolution of the terminology 'non-profit organisation' and to determine distinctions, if any, between this term and that of 'non-government organisation'.

3.4 EVOLUTION OF THE NONPROFIT ORGANISATION AS FORM OF CIVIL SOCIETY

Although usage of the term NPO has reached ubiquitous proportions, there is little common understanding of the meaning of the term, or how it may represent sufficient distinction to warrant an alternative nomenclature. James (1990) notes that the terminological reference NPO is used in the USA to denote organisations that qualify for tax exemptions and for tax deductible donations, but also that tax privileges are not available to all civil society organisations in all jurisdictions – hence the term is perhaps imprudently utilised. Vakil (1997) records that the absence of coherence and specificity in definition is not just of nuisance value, because a lack of clarity limits understanding of the third sector and knowledge transfer. She reflects that the apparent interchangeability of terms (NGO and NPO) represents not only inconsistency, but also inaccuracy as early definitions emphasised tax status. As she points out, this is not the only feature nor is it a sufficiently unique characteristic upon which to base an understanding of what has emerged as a distinct construct. Commenting in 2018, Vakil maintains that the meaning attributed to the term NGO "remains awkward but nonetheless persists as a label. The now extensive analyses of the relationship between NGOs and civil society have broadened the usage of the term" (Vakil, 2018, p108).

3.4.1 Towards a definition of non-profit organisations

The classification approach emphasising organisational attributes that is adopted by Salamon and Anheier (1992), defines the non-profit sector as one that includes non-government organisations and civil society generally. Moreover, the volume of nonprofit sector publication output emanating from The John Hopkins University Institute for Policy Studies from whence these authors publish, may well have given rise to the adoption of the term 'nonprofit organisation' as a ubiquitous proxy representation of institutional representatives of the non-profit sector . The corollary is that the work of Salomon and Anheier does not necessarily provide a definitive etymology of the term NPO.

Salomon and Anheier do, however, suggest that five features characterise the NPO sector: NPOs are formal, private (by which is meant that they are separate from government), non-profit distributing, self-governing and voluntary. For Vakil (2018), it is problematic to think of NPOs as voluntary organisations, because this would exclude all organisations with a professional staff complement. In my experience, most formal, organised (and necessarily non-profit distributing) NPOs are staffed by a complement of remunerated personnel.

Vakil proposes that:

> *... the more general label 'not-for-profit' (which means that generating and distributing profits is not a primary goal) is a more useful descriptor than "non-profit-distributing'. This wider definition of NGOs would place NPOs as a subset of NGOs rather than the other way around as Anheier proposed.* (2018, p98).

Cornell University contributes the following comprehensive definition:

> *A non-profit organization is a group organized for purposes other than generating profit and in which no part of the organization's income is distributed to its members, directors, or officers. They can take the form of a corporation, an individual enterprise, unincorporated association, partnership, foundation or condominium. Non-profit organizations must be designated as nonprofit when created and may only pursue purposes permitted by statutes for non-profit organizations. Non-profit organizations include churches, public schools, public charities, public clinics and hospitals, political organizations, legal aid societies, volunteer services organizations, labor unions, professional associations, research institutes, museums, and some governmental agencies.* (Cornell University, n.d.).

This dialogue reveals that NPOs are juristic entities, formed under jurisdictional law. National jurisdictions provide opportunity for tax exemption and other legal privileges, noting, however, that distinct jurisdictions demonstrate distinct treatment. If it is held that incorporation, in terms of the prevailing statute and regulatory requirements of national legal jurisdictions, establishes opportunity for distinguishing NPOs, then it is necessary to elaborate further upon this construct.

3.4.2 The role of incorporation as distinguishing feature of South African NPOs

The emergence of legislative incorporation for NPOs as representatives of civil society must be viewed against the principle earlier elucidated, which is that voluntary association is an inalienable right of individuals whether or not this is appreciated by the government of the individuals. Provided that expression and attempts to seek resolution of differences of opinion arising between governments and civil society takes place in socially and legally accepted forums and platforms, then there appears little preclusion for undertaking the incorporation of NPOs.

Two principal systems exist for the incorporation of an association: declaration and registration. Hence, in much the same way as an individual would be entitled to establish him or herself as a sole proprietor, obligated only to make a declaration to this effect to a competent administrative body – say, the South

African Revenue Service – an association may form and notify a competent authority. No intervention is required by the authority for the establishment of the sole proprietor's enterprise, or for an association.

In contrast, should registration of an association be sought, this action takes place in terms of a body of legal principle and restriction. In the metaphor of this explanation, a group of promoters would be entitled to seek the registration of a company by making a formal and specified approach to the competent authority (the Companies and Intellectual Property Commission, in South Africa, being an administrative organ of the Department of Trade and Industry) in terms of the prevailing legislation (the Companies Act no. 71 of 2008, in this example). The administrative authority is therefore an active member in the relationship, acknowledging and recording the registration.

Importantly, the right to associate cannot be arbitrarily violated by an administration (although an exceptionally authoritarian administration may do so). This has consequences for South African NPO incorporation, where registration is not obligatory but is influenced by virtue of imposition of prerequisites by which only registered NPOs, whether established as NGOs, non-profit companies, or charitable trusts, are made eligible for government funding assistance.

The Non-Profit Organisations Act No. 71 of 1997 (NPO Act) came into operation on 1 September 1998. It remains possible, as was the case before the promulgation of the NPO Act, to establish a voluntary association declaratively. However, any voluntary association seeking funding from state sources is obliged to undertake registration as an NPO. So common and accepted has the conception of NPOs become, that private funders will more often than not call for NPO registration details. I t may be regarded then, that the South African NPO is a widely accepted and broadly, if not thoroughly, understood nomenclature.

The NPO Act represents the culmination of policy and legislative reform negotiated between the state and civil society organisations (Education and Training Policy Unit [ETU], n.d.). The objects of the NPO Act are to:

> *... encourage and support nonprofit organisations in their contribution to meeting the diverse needs of the population of the Republic by—*
>
> *a) creating an environment in which nonprofit organisations can flourish;*
> *b) establishing an administrative and regulatory framework within which nonprofit organisations can conduct their affairs;*
> *c) encouraging nonprofit organisations to maintain adequate standards of governance, transparency and accountability and to improve those standards;*

d) creating an environment within which the public may have access to information concerning registered nonprofit organisations; and

e) *promoting a spirit of co-operation and shared responsibility within government, donors and amongst other interested persons in their dealings with nonprofit organisations.* (NPO Act, 1997, p4).

The NPO Act makes provision for the creation of an enabling administrative framework known as the Non Profit Directorate (NPD), accommodated in what was once the Department of Welfare, now the Department of Social Development (DSD). However, this prompts the inference at least, that NPOs undertake only welfare or social development activities. This misconception must be dispelled by expanding upon the range of undertakings by NPOs; while some NPOs are indeed engaged in alleviating poverty, disadvantage and marginalisation, this is not the only realm within which NPOs operate. Clarity is best achieved by exploring the formal classification of NPO activities, undertaken in the following section.

3.5 NPO CLASSIFICATION

Establishing a distinct classification of NPOs is a process that can be approached in different ways. The roots of the so called non-profit organisation are located in contemporary understanding of civil society, and focused enquiry in the non-profit sector.

Willets (2002) observes a singular distinction: operational NPOs can be distinguished from campaigning NPOs. He maintains that the former gives rise to relatively small-scale, project-based change while the latter seek large-scale change by influencing the political system. Stuart (2013) similarly distinguishes service-driven NPOs from advocacy organisations.

Erudite as these observations may be, a circumscription if not a definition is still required to specify the population for this research. Salomon (2004) suggests that three historical definitional understandings of NPOs spotlight the sector – economic definitions, legal status definitions and definitions focusing on the purpose of the NPOs thus defined.

An economic definition might be that a "civil society organisation is one that receives the predominant portion of its revenue from private contributions, not from market transactions or government support" (Salomon, 2004, p8). This definition appears to encompass the non-profit sector as it is commonly

understood, but is arguably limited because it appears not to encompass elements more expressly conveyed in the second, legal status definitional set. This set understands civil society organisations to take on a particular legal form, exempted in full or in part from the tax regulations of the tax regime in which they are so registered (Salomon, 2004).

Importantly, it should be noted that there is in distinct tax regimes, distinct regulatory latitude provided to non-profit organisations. In South Africa, NPOs may apply to be registered as Public Benefit Organisations (PBOs). Income in the hands of the PBO registered non-profit entity is tax exempt (within stipulated compliance parameters) and donations to PBO-registered NPOs are -again within compliance parameters - tax deductible in the accounts of the donor. It must be appreciated that this provision encompasses some South African NPOs, but not those organisations that are disqualified or have elected not to approach the tax authorities for this exemption. In other words, it can be interpreted that NPOs are not automatically exempt from tax obligations, even if they are associated or formed in terms of prevailing South African legislative parameters.

The third definition is observed by Salomon to encompass the purpose pursued by a non-profit entity. Salomon notes that "according to this definition, a civil society organisation is one that promotes the public good, encourages empowerment and participation, or seeks to address the structural roots of poverty and distress" (2004, p8). This definition broadly encompasses organisations referred to as *charities* and *civil society* and *NGOs*. It is clearly a limiting definition; each of these definitions can be simultaneously ascribed to individual civil society organisations.

Salomon et al. (1999) and Salomon et al. (2003) criticise the specificity and exclusivity of these definitional sets, remarking that they place too much emphasis on some elements, downplay other elements and "are too nebulous and subjective to apply in cross-national analysis" (Salomon, 2004, p8). These authors elect to embrace a more encompassing and complete definition of civil society organisations as:

- organisations with an institutional presence;
- that are private in that they are distinct from the state;
- not profit distributing in that they do not return profits to managers or owners;
- self-governing in that they control their own affairs;
- voluntary in that membership is not legally required and in that they attract voluntary contributions of time and money.

For the purpose of determining the scope of an appropriate definition to test the thesis of this research study, this definition does not attract material contradiction concurring as it does with the definition of NPO as

selected by (the South African) government, and the regulator of registered NPOs, being the Department of Social Development (DSD).

The NPO Act defines an NPO as follows:

> *"Nonprofit organisation" means a trust, company or other association of persons—*
>
> *(a) established for a public purpose; and*
>
> *(b) the income and property of which 'are not distributable to its members or office-bearers except as reasonable compensation for services rendered;*
>
> (NPO Act, 1997, S 1(1) (x)).

The DSD, the Department accommodating the NPO Directorate established by the NPO Act, reiterates the gazetted legislative definition of an NPO as recorded above and supplements this definition by recording that:

> *Nongovernmental organisations (NGOs) and community based organisations (CBOs) are collectively known as nonprofit organisations (NPOs). In some instance, NPOs are also referred to as Civil Society Organisations (CSOs).* (DSD, 2011, online).

The Western Cape Provincial Government expands on this:

> *An NPO can be a trust, a company or any other association of persons, which has a public rather than a private purpose, and which does not operate for profit (not-for-profit means that the NPO's property or income is not paid out to its office bearers, except as payment for work done or services rendered). Types of NPOs include:*
>
> - *Non-governmental organisations (NGOs).*
> - *Community-based organisations (CBOs).*
> - *Faith-based organisations (FBOs).*
> - *Organisations that have registered as Section 21 Companies under the Company Act 61 of 1973.*
> - *Trusts that have registered with Master of the Supreme Court under the Trust Property Control Act 57 of 1988.*
> - *Any other voluntary association that is not-for-profit.*
>
> (Western Cape Government, 2015, online).

The fourth bullet signals an archaic reference because the former company legislation was subsumed by the implementation in May 2011 of the Companies Act No 71 of 2008. The Section 21 companies incorporated under the former 1973 Companies Act have had to amend their incorporation status to align with the 2008 legislation.

However, this is an unimportant anachronism and it is possible to conclude that an NPO - as contemplated as subject of this research - is a voluntary association of persons registered as an NPO with an administrative authority known as the NPO Directorate, or a not-for-profit company registered with the NPO Directorate. The incorporated status does not have any bearing on the registration as NPO, for the intention of the NPO Act and the NPO Directorate is – as is maintained by government - to establish and support a register of NPOs that elevates the credibility of NPOs because they "report to a public office" (DSD, 2011).

Civil society reflects more darkly that the register is a form of leverage exerted by the state to control the third sector. This could simply be the discontented rumblings of campaigners for large-scale social change (as per Willetts, 2002) but it is pertinent to note that civil society organisations seeking to obtain government funding (to achieve Willetts' small-scale project change) are obliged to register as NPOs. The DSD make coy and indirect reference to this by stating that "NPO registration status is also a funding requirement for most donor and funding agencies" (DSD, 2011). This is in fact false – in the researcher's experience only national, provincial and local government stipulate NPO registration. Perhaps, however, there is no government mischief after all; registered NPOs must make annual submission to the NPD of their financial performance and status, together with a narrative report documenting progress against the NPO's objectives generally, and especially those for which government funding may in fact have been made available. Clearly this is acknowledgement that accountability (of the recipient NGO) must accompany the funding largesse of government. Elementary, descriptive NPO information is made available in the NPD's register of NPOs and this – at least in part - fulfils the objectives of accountability and transparency, owed as a duty by the state to its citizens.

It may be expected that this register of NPOs follows a logic that enables orderly search and analysis. Naturally the registration number of an NPO would serve as the key data attribute, but a subsidiary classification schema is evident in terms of activity description. This being the case, the origins of the logic underpinning activity classes deserves appraisal. To this end, it is noted that an internationally recognised and embraced system of NPO classification exists and enjoys favour. This system, The International Classification of Nonprofit Organizations (ICNPO), serves to pool NPO sector activity according to economic activities (Salomon and Anheier, 1996). This schema gives rise to a broad classification of major economic activity, as well as a subordinate classification of subgroups and a sub classification of activities. It is appropriate to unpack the rationale supporting the ICNPO as well as other classifications, in order that

the substance of the ICNPO as possible means of classifying the population of NPOs forming one of the focal variables, and a primary unit of analysis of this research, is established.

3.5.1 The rationale of NPO classification typologies

Classification, in the general sense, facilitates ordered conceptualisation, and consequential measurement. In the specific sense, classification serves to enable targeted analysis and comparison, whether nationally, or internationally. Research would therefore be able to undertake narrow analysis of a classified activity, whilst retaining the ability to aggregate broader analysis. As articulated by Salomon and Anheier: "in many ways, the existence of such a classification system makes systematic comparisons of the nonprofit sector possible in the first place, or at least facilitates them greatly" (1996, p8).

Three dimensions are suggested by Salomon (1995) for the classification of non-profit organisations:

- member serving vs. public serving
- service providing vs. funds channelling to service providers
- secular service vs. sacramental/religious

By deduction, Salomon identifies four types of nonprofit organisations:

- funding agencies, emphasising the distribution of funds as intermediaries, to resource needy organisations
- member serving organisations that undertake service provision to a defined membership base (as opposed to serving the community at large)
- public-benefit organisations that exist to provide services to society at large
- religious congregations pursuing sacramental functions

Vakil (1997) remarks that classification schemes tend towards grouping NPOs in terms of orientation and client group, and also values and ideals, adding that Salomon and Anheier's ICNPO schema reflects the importance of recording the sector of NPO involvement. She remarks also that classifications inadequately record the "diversity of activities within individual NGOs" (Vakil, 1997, p2062).

Vakil continues to argue that "most [of the previous] classification schemes have sacrificed comprehensiveness and clarity for the sake of simplicity" and that "in practice, there are probably many more types of NGOs active in the field than the existing classification schemes would acknowledge" (Vakil (1997, p2062).

Vakil's contention is that a focus on NPO organisational attributes would more usefully address the multi-dimensional nature of NPOs. She simultaneously acknowledges that "this would seem to create an unwieldy number of organizational types, since the classes derived from the typology of attributes- many of which are not mutually exclusive for individual NGOs- would theoretically run into the scores" (1997, p2063).

Incongruously, Vakil contradicts her criticism of the sacrifice of comprehensiveness to simplicity by defending the complexity of a classification schema based on attributes: she contends that "in reality, however, certain groupings of attributes will tend to be more prevalent and it is these that will continue to receive the greatest attention in the literature. What is important is that the framework provides a means for placing organizations in these attribute groupings" (Vakil, 1997, p2063).

The rationale underpinning any economic sectoral classification system may be regarded as a primary requirement for production and utilisation of statistics for planning and communication. Utility arises at both a national as well as at an international level. The United Nations records that statistical classifications should observe a single set of principles for both international and international classifications, reflecting that "clarity in terminology, concepts, definitions and structure are required for satisfactory results" (Hoffman and Chamie, 1999a, p1). It follows that national and international classifications are mutually dependent and that systematic and meaningful organisation of information usefully determines "the similarity of ideas, events, objects or persons," standardising *inter alia*, "concepts of public services such as job placement, welfare or public health and to describe social, economic or natural phenomena" (Hoffman and Chamie, 1999a, p2).

Hoffman and Chamie reflect that classifications used in this way represent so called standard classifications, and that the derivation of statistics from standard classifications result in standard statistical classifications (1999a). Further, these authors add that international standard classifications are developed and adopted by international institutions to ensure correct implementation of agreements and to standardize national and international communication" (Hoffman and Chamie, 1999a, p2).

Hoffman and Chamie represent an authoritative source – the former represents the International Labour Office Bureau of Statistics, and the latter the United Nations Statistics Division. The authors pronounce that:

> *International statistical classifications (ISCs) are products of international agreements among national authorities responsible for statistics in the respective areas. In accordance with the*

> *established practices for the division of responsibilities among international agencies in the area of statistics, the ISCs require approval by the United Nations Statistical Commission (UNSC) or another competent intergovernmental board, such as that of the World Customs Organization (WCO), the World Health Organization (WHO), the International Monetary Fund (IMF), or the International Labour Organization (ILO), depending on the subject matter area. ISCs may serve as models for the development of corresponding national, multinational and regional statistical classifications (NSC), and should, as far as possible, reflect what is considered "best practice" in the substantive areas they cover. Therefore ISC's are international reference classification.* (Hoffman and Chamie, 1999a, p3).

The United Nations International Economic and Social Classifications establishes a family of classifications (Hoffman and Chamie, 1999b, p5). As reference classification, economic activities are classified by the International Standard Industrial Classification of All Economic Activities (ISIC) and where commercial revenue generation is absent (as with NPOs, and government functions, for example), there exists the Classification of the Purposes of Non-Profit Institutions Serving Households (COPNI). The international family of classifications is illustrated in table 3-4.

Table 3-4: International Family of Economic and Social Classifications

Economic and Social Classification	Reference
Economic activities	International Standard Industrial Classification of All Economic Activities (ISIC)
Products	Central Product Classification (CPC) Harmonized Commodity Description and Coding System (HS)
Expenditures according to Purpose	Classification of the Functions of Government (COFOG) Classification of Individual Consumption according to Purpose (COICOP) Classification of the Purposes of Non-Profit Institutions Serving Households (COPNI) Classification of Outlays of Producers according to Purpose (COPP)
Employment, Occupation and Education	International Classification of Status in Employment (ICSE) International Standard Classification of Occupations (ISCO) International Standard Classification of Education (ISCED)
Social and Health	International Statistical Classification of Diseases and Related Health Problems (ICD) International Classification of Impairments, Disabilities, and Handicaps (ICIDH)
Country and Area	Standard Country or Area Codes for Statistical Use (M49)

Source: Adapted from Hoffman & Chamie (1999b, pp5-6).

The COPNI and COFOG classifications warrant scrutiny. The COPNI reference classification lends perspective to the arrangement of NPO sector activity. Nine sub-classes make up the COPNI classification.

These are Housing, Health, Recreation and culture, Education, Social protection, Religion, Political parties, labour and professional organisations, Environmental protection and Services.

These nine classes appear to satisfy Vakil's (1997) contention that NPOs may be classified according to clusters of attributes, an essential descriptor being the orientation of the NPO. Examples of orientation are welfare, advocacy, and development education. The nine classes also align to Salomon's (1995) contention that NPOs can be framed as existing to serve society at large, or to a defined membership, or as funds distribution intermediaries or as sacramental entities. The nine sub-classes are further classified according to target beneficiaries. These are illustrated in table 3-5.

Table 3-5: COPNI: Classification of the Purposes of Non-Profit Institutions Serving Households

Class	Sub-class
01 - Housing	01.0 - Housing
02 - Health	02.1 - Medical products, appliances and equipment 02.2 - Outpatient services 02.3 - Hospital services 02.4 - Public health services 02.5 - R&D Health 02.6 - Other health services
03 - Recreation and culture	03.1 - Recreational and sporting services 03.2 - Cultural services
04 - Education	04.1 - Pre-primary and primary education 04.2 - Secondary education 04.3 - Post-secondary non-tertiary education 04.4 - Tertiary education 04.5 - Education not definable by level 04.6 - R&D Education 04.7 - Other educational services
05 - Social protection	05.1 - Social protection services 05.2 - R&D Social protection
06 - Religion	06.0 - Religion
07 - Political parties, labour and professional organizations	07.1 - Services of political parties 07.2 - Services of labour organizations 07.3 - Services of professional organizations
08 - Environmental protection	08.1 - Environmental protection services 08.2 - R&D Environmental protection
09 - Services n.e.c.	09.1 - Services n.e.c. 09.2 - R&D Services n.e.c.

Source: United Nations (2015b).

It is evident from table 3-5 that the sub-classes serve to make the classification comprehensive. As it applies to the thesis of this research, Code 05 is of particular interest, specifically Code 05.1, social protection services. The UN explanatory note that accompanies the classification defines social protection as:

> *... assistance and support services provided to persons who are: elderly, disabled, having occupational injuries and diseases, survivors, unemployed, destitute, homeless, low-income earners, indigenous people, immigrants, refugees, alcohol and substance abusers, etc. It also covers assistance and support services provided to families and children.* (United Nations, 2015b).

It is this code that encompasses the realm of both direct and indirect support provided to deserving recipients of social protection; direct service as targeted service intervention, and indirect service as advocacy on behalf of deserving beneficiaries.

As may be expected, the COPNI activity codes align to the COFOG – Classification of the Functions of Government – reference framework. The COFOG classification Code 10, provides for grouping of government functionality relating to the provision of social protection. The reference class is illustrated in table 3-6. This COFOG set of sub-classes provides a more comprehensive illustration of the myriad activity of NPOs focused on the socially disadvantaged and excluded than the COPNI sub-classes, where Code 09 – Services n.e.c. serves as a catch-all for NPO activities 'not elsewhere classified'.

Table 3-6: COFOG: Classification of the (Social Protection) Functions of Government

Social protection functions
10 - Social protection
10.1 - Sickness and disability
10.2 - Old age
10.3 – Survivors
10.4 - Family and children
10.5 – Unemployment
10.6 – Housing
10.7 - Social exclusion n.e.c.
10.8 - R&D Social protection
10.9 - Social protection n.e.c.

Source: United Nations (2015c).

International, and National classification systems are dynamic and Hoffman and Chamie emphasise that maintenance and updating of classifications is regularly undertaken to "ensure correction of errors made in: (a) the construction of the classification; (b) the explanatory notes; and (c) the associated coding tools. Up-

dating is the process of modifying the descriptive definitions of the categories as well as introducing new, more detailed categories and new coding tools" (1999a, p24).

Accordingly, a revision (Revision 4) of the ISIC classification of economic activity was published by the United Nations to report, inter alia, on alternative aggregation for NPO activity reporting (United Nations, n.d.). The revision announces a "major initiative undertaken by the United Nations Statistics Division in cooperation with the Johns Hopkins Center for Civil Society Studies, to aid national statistics agencies in portraying non-profit institutions, philanthropy and volunteering more explicitly in national economic statistics" (United Nations, n.d., p250). The foundation of this revision is held by the UN to be the principle that NPOs "may be found anywhere in the ISIC structure" (United Nations, n.d., p250). Accordingly the UN has embraced the Johns Hopkins Center for Civil Society Studies International Classification of Nonprofit Organisations (ICNPO), effectively the work of Salomon and Anheier (1996) on behalf of The John Hopkins University Institute for Policy Studies.

3.5.2 The International Classification of Nonprofit Organisations

Salomon and Anheier reflect that the origin of the ICNPO is the UN International Standard Industrial Classification which was enlarged "as needed to capture most succinctly the reality of the non-profit sector" (Salomon and Anheier, 1996, p1). Tellingly, the authors observe that their adoption of the non-profit sector terminological usage, follows the UN usage of the term and that they distinguish the NPO sector using five characteristic features. These are the presence of an institutional structure, independence from government, self-governance, profit reinvestment (as opposed to profit distribution), and voluntarism. The first three align, but the last two distinguish, NPOs from private sector enterprises, although Vakil's criticism of volunteerism as a distinguishing feature is noted (see sub-section 3.4.1 supra).

Non-profit distributing enterprises thus distinguished, are classified by the ICNPO according to the types of goods and services provided – observed by the UN as economic activities. This classification observes the major economic activity of the NPO. The major activity is "usually measured as the activity that consumes the largest share of expenditures" (Salomon and Anheier, 1996, p3). Twelve major activity groups are established and these are further broken down by sub-class. The ICNPO is depicted in table 3-7. It is this international classification that is adopted by the South African government, specifically the DSD, to group and order South African NPOs. This classification schema serves as means to identify and sort the activity of NPOs that form unit of analysis in the investigation of the hypothesis of the first wave of this research study.

Table 3-7: ICNPO - International Classification of Non-Profit Organisations

ICNPO groups	ICNPO sub-groups
1. Culture and recreation	1 100 Culture and arts 1 200 Sports 1 300 Other recreation and social clubs
2. Education and Research	2 100 Primary and secondary education 2 200 Higher education 2 300 Other education 2 400 Research
3. Health	3 100 Hospitals and rehabilitation 3 200 Nursing homes 3 300 Mental health and crisis intervention 3 400 Other health services
4. Social Services	4 100 Social services 4 200 Emergency and relief 4 300 Income support and maintenance
5. Environment	5 100 Environment 5 200 Animal protection
6. Development and housing	6 100 Economic, social and community development 6 200 Housing 6 300 Employment and training
7. Law, advocacy and politics	7 100 Civic and advocacy organizations 7 200 Law and legal services 7 300 Political organizations
8. Philanthropic intermediaries and voluntarism promotion	8 100 Grant-making Foundations 8 200 Other philanthropic intermediaries and voluntarism promotion
9. International	9 100 International activities
10. Religion	10 100 Religious congregations and associations
11. Business & professional associations, unions	11 100 Business associations 11 200 Professional associations 11 300 Labour unions
12. Not elsewhere classified	12 100 Not elsewhere classified

Source: Adapted from Appendix 5, UN Handbook on Non-Profit Institutions in the System of National Accounts (2003).

Performance of the sector is not dependent on its classification, however. The pressing urgency is one of role fulfilment, and that is in turn a function of role definition. The following section concludes this review by appraising some of the key issues that afflict the NPO component of civil society. I intend that this inform both an understanding of the sector that is unlikely to be revealed by its ICNPO classification, and an interpretation of the prevailing status quo that will indulge my analysis of the primary research question of the second phase of this study. That, ultimately, is an analysis and evaluation of government's social development modality.

3.6 ROLE DEFINITION: KEY ISSUES AFFLICTING THE NPO SECTOR

The transition of government administrations in 1994 enveloped the sector in a national bonhomie that was to persist for at least a decade. The necessary bellicosity of the organisations that had pursued liberation, gave way to a redefinition of objective. Davids, in his role as Community Chest chief executive in 2013, reflected that "during the apartheid era we had a strong lobbying and advocacy role, and post-1994 we found ourselves in an implementing role" (Mail and Guardian, 2013, online).

With the apartheid dragon slayed, the new government set about transforming the scope of government administration and public goods provision. These 'implementing organisations' were steadily recognised as fundamental to public goods provision. In 2002, Parliament's Finance Standing Committee heard Habib[1], then Director of the University of Natal's Centre for Civil Society, present the "findings of a study on The Size and Scope of the Non-Profit Sector in South Africa" (Finance Standing Committee, 2002, online). This august body was to conclude, inter alia, that "the broader role of parliament and government would be to have a philosophical debate about the relationship between government and the non-profit sector so as to ensure a more co-ordinated approach to poverty alleviation and development" (Finance Standing Committee, 2002, online).

This meeting of the Finance Standing Committee succeeded the enactment of the 1997 NPO Act by half a decade. Perturbingly, then, one of the Committee's members "pointed out that what was missing from the study was a look at the value of the NPO sector to society, how efficiently the sector was delivering and more importantly what value was being achieved from all the money government puts in especially since accountability was very loose" (Finance Standing Committee, 2002, online). I dare say, philosophical debate between Parliament and government would unlikely reveal either sectoral efficiency or return on 'all the money government puts in', and neither would it address the 'looseness of accountability' alleged to characterise that portion of civil society in which the government had chosen to invest. As a representative member of the sector I must point out that what remains perturbingly missing from government oversight of the NPO sector over the past two decades, is any compelling evidence as to the value of the NPO sector to society, how efficiently it might be delivering on its government-directed mandate, and the return on government's investment therein.

While this research study is largely a response to this dearth of evidence, the fact of the matter is that I cannot present the nation with 'all the answers'. However, my thesis sounds very clearly, the bell that calls

[1] Habib was the editor of this work, the John Hopkins University having commissioned the work by authors Swilling and Russell (2002).

to action both government and academia: while it appears noble to direct taxpayer funds at citizens by co-opting civil society to undertake government's mandate for service provision, is this mechanism an efficient one, in the first instance, and is government's preferred modality, in the second instance, an effective one?

This section seeks to reveal the following key issues:

- the size and scope of the NPO sector
- the form taken by the human services component of the sector
- the autonomy and accountability of the sector and hence the prospect for efficacious contribution to developmental welfare.

3.6.1 The size and scope of the NPO sector

The goal of this subsection is to appraise the substance of the NPO sector. The relevance of the contribution of my thesis to clear thinking about the direction of taxpayer funds, is acutely revealed when viewed in the context of the size and scope of NPO activity.

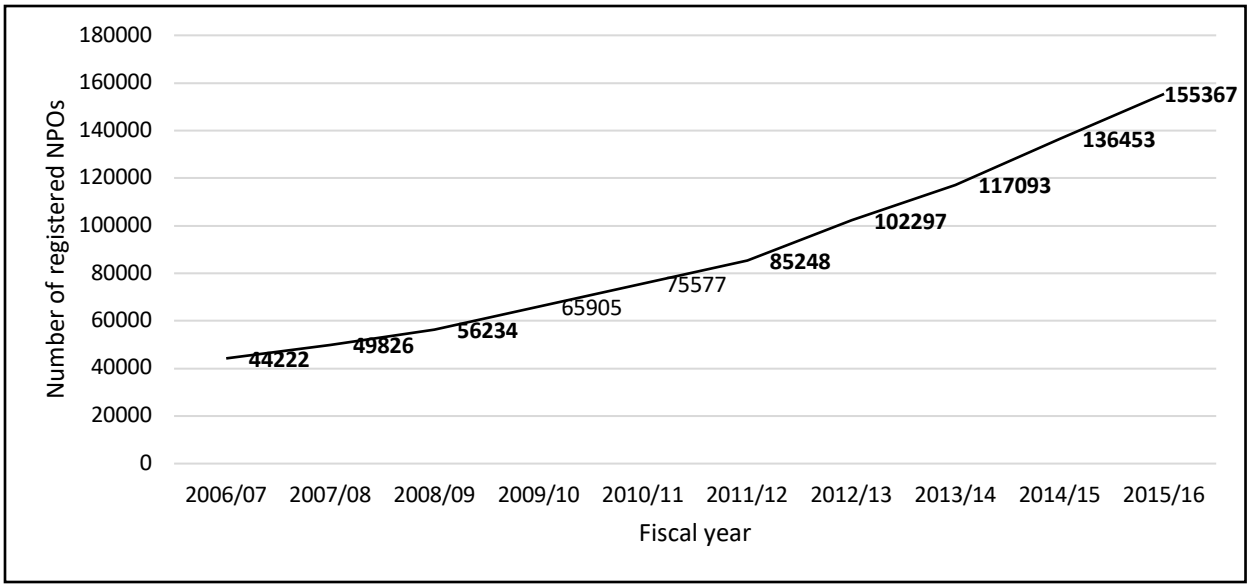
Julie (2010) points out that many NGOs simply disappeared in the aftermath of civil society contribution to the conquest of the apartheid beast, their relevance in a post-apartheid society brought into question. However, little sectoral research evidence emerged in the wake of the transition, prompting The John Hopkins University to commission a study by Swilling and Russell (2002). The ensuing report made an early contribution to the general understanding of the NPO sector, one that has demonstrated phenomenal annual growth in the number of NPO registrations. Figure 3-1 illustrates this growth, over a nine-year period for which information is made available by the DSD (2016).

It must be noted that, given the likely difficulty with which the NPO directorate would have been brought into being as a new administrative arm of government, there is a likely unreliability in any registered NPO totals turned up before the maiden report of the NPO Directorate of the state of the register of NPOs, in July 2009. Using the available data, and interpolating missing data for the fiscal years ended March 2010 and March 2011, an illustrative record is established of the ever-increasing number of NPO registrations.

This data illustrates the state of the NPO Directorate's register of NPOs. It must be assumed as accurate, and as the only valid accounting of NPOs. In contrast, Swilling and Russell's 2002 John Hopkins University funded study estimated 98 920 NPOs. However, this estimate incorporated "less formalised, community-based organisations" (Swilling and Russell, 2002, viii). Clearly, this contradicts the official

NPO count, for it is implausible that the steadily increasing NPO registration count belies a population estimate based on a sampling strategy.

Figure 3-1: Number of NPO Directorate recorded NPO registrations



Source: Author, from the 2009 and 2016 DSD reports on the national NPO database. Two entries are linearly interpolated, for the years ended March 2010 and March 2011.

Swilling and Russell's methodological techniques are not, however, the primary origin of the distinct accounting. While their study notably incorporated both formal and informal organisations, they were operating within the parameters of a generic class of civil society nomenclature (originated by The John Hopkins University a decade prior). The South African government had in the interim, established NPOs as a very distinctive subset of civil society. This legislatively distinguished sub-class of NPOs was differentiated from 'other' civil society representatives because they were the only NGOs with which the state was prepared to contract. All and any NGOs not part of this subset were those that were unprepared to submit their autonomy and for that matter perhaps the integrity of their cause, to government oversight. Consequently, the autonomy of NPOs is called into focus, if not into question. This is contemplated in sub-section 3.6.3.

The first of Swilling and Russell's reported findings addresses NPO sector employment. Again, notwithstanding the acknowledged limitations of extrapolating NPO sector numbers and activity, their study demonstrated that the NPO sector is "a major force in the South African economy" (Swilling and Russell, 2002, p15). Acknowledging that many employees in the sector are volunteers, Swilling and Russell computed full-time equivalent (FTE) employment for both volunteers and part-time employees,

determining that "total employment in the non-profit sector in 1999 exceeded the number of employees in many major economic sectors" (2002, p16). This finding is reported in table 3-8.

Table 3-8: Turn-of-the-century non-profit FTE workforce, compared to other sectors

Economic sector	Workforce
Non-profit sector	645 316
Mining industry	534 000
Public servants in national departments	436 187
Electricity, gas and water	309 203
Construction	301 371
Transport, storage and communication	267 779
Financial intermediation, insurance, and real estate	218 378

Source: Adapted from Swilling and Russell (2002, p16).

While interpretative distinctions abound in standardising Swilling and Russell's work to achieve a basis for comparison for this study (where the focal variable populations have been observed over a decade beyond publication of the Swilling and Russell study), the implications remain significant. If we regard 645 000 FTE employees to have served 99 000 NGOs (regarded as NPOs) in 1999, then the potential workforce employed by the registered NPO sector (over the period for which accurate registration accounting is provided by the NPO Directorate), can be illustratively extrapolated using Swilling's estimate of labour absorption rate. This computational analysis is depicted in table 3-9.

Smith and Lipsky, in a treatise of the American experience of state contracting of the not-for-profit sector, comment that "a good measure of the economic and social significance of an activity is the number of people employed in it" (1993, p6). While I hasten to emphasise that reliance cannot be placed on my extrapolation of Swilling and Russell's 1999 NGO sector population estimates and FTE employment population estimates, it is clear that labour market growth generally has been dramatically outpaced by the growth of the NPO sector, and hence the labour market absorption this burgeoning 'third sector' represents.

Swilling and Russell also determined the sector to have indulged, in 1998, operating expenditure of R9.3 billion, "representing 1.2% of the 1998 gross domestic product" (2002, p15). I am reluctant to express the operating expenditures of the sector as a proportion of national gross domestic product (GDP). Assuming little or no profit generation in the sector (distinct from profit distribution, for I refer here to the 'profitability' of charitable work), and countenancing that only 34% of sectoral revenue is self-generated (Swilling and Russell, 2002, p37), the reciprocal, 66% of sectoral revenue, is derived from grants and

donations. Government grants are a redirection by government of tax revenues. Corporate donations are a philanthropic pre-tax deduction against income. Individual private donations represent to some extent, an allowable deduction against taxable income but are, I speculate, made charitably for the most part from discretionary post-tax income.

Table 3-9: Estimating the South African formally registered NPO sector's prospective FTE employment numbers

Period	Registered NPOs	Computed NPO FTE employment numbers	Annual increase in registered NPOs and matched FTE employment	National labour market absorption (employment)	Annual increase in national employment	NPO FTE employment as a percentage of national employment
2008	56 234	366 849		14 585 000		2.5%
2009	65 905	429 939	17.2%	14 194 000	-2.7%	3.0%
2010	75 577	493 035	14.7%	13 788 000	-2.9%	3.6%
2011	85 248	556 125	12.8%	14 070 000	2.0%	4.0%
2012	102 297	667 346	20.0%	14 425 000	2.5%	4.6%
2013	117 093	763 870	14.5%	14 866 000	3.1%	5.1%
2014	136 453	890 167	16.5%	15 146 000	1.9%	5.9%
2015	155 367	1 013 554	13.9%	15 876 000	4.8%	6.4%

Source: Author, from Swilling and Russell's 2002 report on NPO sector, 2016 DSD report on the national NPO database, StatsSA 2015 report on labour market dynamics and UCT 2017 Development Policy Research Unit labour market review.

Consequently, 'percentage of GDP' does not constitute, in my opinion, a metric by which the sector can be reliably compared to public and private sector economic contribution. However, there is enough evidence to interpret that the sector represents a major employer, vested in markets characterised by privation, mobilising substantial sums of taxpayer income channelled not only through the government's revenue collection agency but also donated in addition to tax contributions, out of the charitable goodness of the public's collective heart. The altruism of individual donors' is readily exploited by human services organisations, for 'heart-strings charity' tugs considerably at the 'there-but-for-the-grace-of-God-go-I' reflections of the general public and corporate donors alike. That social service underpins human service NPOs, is intuitive. However, it is necessary to consider the scope and scale of human service NPOs, the apparent mainstay of government's social development ambitions.

3.6.2 The form taken by the human services component of the NPO sector

Given the necessity for a foundation against which to argue the plausibility of government's social development ambitions being achievable, firstly, and moreover, achievable in the context of contracting NPO's to undertake service delivery at government's behest, this subsection appraises the form taken by human services implementation-oriented NPOs.

The ICNPO classification parameters documents twelve classes of NPO (see table 3-7, sub-section 3.5.2). This registers a penetrating analysis, both exhaustive and necessary in the context of international comparison. However, appreciating the sector in the domestic context, renders almost all of the classes superfluous. The DSD first generated a report on the state of the South African register of NPOs, in July 2009, in respect of the year ended March 2009. The ICNPO classification of the register at that point in time, together with the year ended March 2016, is recorded in table 3-10.

Table 3-10: Human service NPOs as a proportion of the NPO register

ICNPO groups	2009 (%)	2016 (%)
1. Culture and recreation	5	6
2. Education and Research	14	6
3. Health	12	3
4. Social Services	31	48
5. Environment	1	1
6. Development and housing	22	18
7. Law, advocacy and politics	2	1
8. Philanthropic intermediaries and voluntarism promotion	1	0
9. International	0	0
10. Religion	11	15
11. Business & professional associations, unions	0	2
12. Not elsewhere classified	Not reported	Not reported

Source: Author, from the 2009 and 2016 reports of the state of the NPO register (DSD, 2009; DSD, 2016).

By far the greatest number of organisations, 94% in 2009 (DSD, 2009, p9) and 93% in 2016 (DSD, 2016, p10) are reported as voluntary associations. The preponderance of these NPOs, 31% in 2009 (DSD, 2009, p13) and 48% in 2016 (DSD, 2016, p11), are engaged in social services. Somewhat puzzlingly then, or perhaps not depending on one's point of view, the 2016 narrative report contradicts the tabled information on social services NPOs:

> *Registered NPOs are grouped, according to the International Classification of Nonprofit Organisations services (ICNPO) … Social Services is the leading sector with 39.6%, followed by*

> *development and housing sector (21.5%). The Religion sector follows with 12.7%, Health sector at 8% and Education and Research sector with 6.5% and the International organisations (0.1%) are the less [sic] number of registered NPO's.* (DSD, 2016, p4).

Notwithstanding this imprudence, the NPO sector is characterised by an evident preponderance of elementary organisational form (voluntary association, and not limited liability not-for-profit company, or trust), and ICNPO group four, social services. ICNPO groups one through four, represent human service, representing in both 2009 and 2016, in excess of 60% of registered NPO activity. However, while this reckons the scope and scale of human service NPOs, it does not demonstrate whether civil society organisations promoting culture and recreation, education and research, health, and social welfare services, can plausibly exercise sufficient agency and intervention over the dearth in the nation's human development.

However, determining whether this agency and intervention is indeed plausible, is only achievable through observation and analysis, as undertaken by the two phases of this research enquiry. The first phase, it is reiterated, investigates the spatial distribution of the NPO sector relative to the distribution of deprivation, throughout the observed population of the province of KwaZulu-Natal. If the distribution of human service NPOs coincides with the dispersion of human deprivation observed in each of the province's eleven municipal districts, then it can be deduced that there is no geographic structural impediment to a productive delivery of human services activities. Conversely, a random distribution of human services NPOs relative to human deprivation, would oblige conclusion that human services are delivered accidentally to the deprived population, and hence not necessarily effectively.

The second phase of the research seeks to determine the impact of human services activity on the scale of human deprivation in the province. This is undertaken by focusing on those NPOs specifically isolated and selected by the DSD, for providing human services to the province's deprived on government's behalf. It is these organisations that represent the apparent mainstay of government's social development ambitions. However, if these organisations are to be concluded as fundamental to maintaining the national democratic project, it remains to review both the autonomy and the accountability of the NPO sector, for it is regarded that an autonomous civil society "supervises the hegemony of the state" (Geng and Meijs, 2016, p3). That this is a valid claim, or not, is not the objective of this review. However, it is essential that the independence of the NPO sector is elucidated, because a dependent sector establishes this significant quantum of civil society as a substantial force, and measure of ensuring government governance. If it is determined that the NPO sector is rendered toothless by state modality, then it must be conceded that the NPO representatives of civil society are less a substantial force, than government's substantially subservient trading partners.

3.6.3 A matter of independence: the autonomy and accountability of the NPO sector

The goal of this subsection is to investigate the trajectories of opinion regarding the autonomy of the NPO sector. The intention is to establish sufficient foundation from whence to contemplate the prospect for efficacious contribution by NPOs to what government refers to as developmental welfare. The perspective from which this question is ultimately considered, in the discussion forming the substance of chapter nine, is one that contends that state control of the NPO sector could conceivably lead to impotent subservience by the NPO Directorate-registered component of South African civil society. Little independent ingenuity can be expected to flow from such an arrangement and it appears reasonable to anticipate that government would weaken the contribution by civil society to the democratic project.

The form of this sub-section is to commence by establishing the frame of reference by which accountability is defined. This enables contemplation of the stakeholders to whom it is believed NPOs should account, including the form of the accounting. It is then possible to reflect on the dispensation created by government for the NPO component of civil society. In turn, this facilitates, firstly, reflecting on the prospect of this regulatory framework compelling NPOs to practice sound governance, as well as the prospect of government-registered organisations enjoying adequate sufficient independence of state diktat, that they remain more than just regulated sub-contractors to the state's interpretation of the democratic project.

Coker (2012) highlights two predominant themes in the accountability literature. He emphasises Principal-Agent theory and Stakeholder theory, recording that the former establishes accountability as an obligation for the relationship agent, arising from the transfer of resources to the agent by the relationship principal. Conversely, as may be expected to arise in the conditions of a social contract, stakeholders are, says Coker citing Freeman (1984), "individuals and groups who can affect, or are affected by, the achievement of an organization's objectives" (Coker, 2012, p60). Coker adds that this could be interpreted narrowly, meaning that the burden of accountability is only owed to direct stakeholders, but that the broader view regards stakeholders as "all individuals and groups whose life experiences may be affected by the organisation's activities" (2012, p61).

Accountability, or the 'giving of account', arises in different forms, with financial probity commonly regarded as the primary form of accounting, arising as financial reporting to both principal, and to stakeholders generally. In South Africa, for example, The Companies Act No. 71 of 2008 determines "the financial reporting standards that the company must adopt" (Cox Yeats Attorneys, 2012, p1), by means of computing a 'public interest score'. The rationale is that where stakeholders beyond the direct, principal

stakeholders are affected by a company's activities, the financial performance and observation of responsibility must be published in a report made available to the public.

Financial reports differ markedly from reports on the agents' reports on the performance of the resources availed by the principal. What has been described as 'managerial accountability', can be considered to be encompass not only financial accountability, but also accounting for legal compliance, process efficiency, programme effectiveness and ultimately, the judgement exercised by the managing 'agents' in a Principal-Agent relationship (Stewart, 1984). NPOs are directed in terms of their registration, to submit annually, a report of financial performance together with a narrative report, to the NPO Directorate. The NPO Act directs this in terms of Sections 17, 18 and 19. (NPO Act, 1997). Non-compliance is regarded as a contravention, in terms of which the NPO Act requires the Directorate to serve a notice of non-compliance on the defaulting NPO (NPO Act S20 (1) (a), 1997), providing a notice period of a month, although this can be extended should the defaulting organisation show good cause (NPO Act, 1997). Ultimately, the Act provides for the deregistration of the NPO, should the default not be rectified (NPO Act S21 (1) (a), 1997).

Two points must be made: the first is that the upwards accountability established by the government's legislative regulation of the NPO-component of civil society, does not in any way ensure downwards accountability to the beneficiary group from whence the NPOs derive their legitimacy. The second is that legislative directive does not necessarily ensure NPO compliance, nor does the threat of deregistration serve, apparently, as material incentive for NPOs to observe their legislated obligation.

Turning to the first point, Habib and Kotze (2003) observe in the transition by civil society organisations from advocates of citizen rights and freedoms to human service provision, a change in the accountability demonstrated by NPOs. These authors allege a swing from primary accounting away from the public-beneficiaries of service provision, to government and donors, and regard this as a regrettable transition from 'downward accountability' to the stakeholder group to whom NPOs are considered to owe their primary allegiance (and from whence they obtain their legitimacy).

Edwards and Hulme (1996) are not perturbed by this turn of events and regard this reversal of as a function of the inability of beneficiaries to hold NPOs to account. Dhunpath (2003), however, contradicts this perspective and remarks that:

> *An unintended consequence of adopting a technocratic rationality in praising the work of NGOs ... undermines the integrity of the funder who is often seen in the development world is complicit*

> *in perpetuating the syndrome of disadvantage by turning accountability away from the beneficiaries towards the funders.* (Dhunpath, 2003, p1120).

Dhunpath's point of view establishes a useful counterpoint to the traditional upwards accountability perspective espoused famously by Milton Friedman in 1970 (that "The Social Responsibility of Business is to Increase its Profits", the title of his article at the time). Friedman's view has since, with the passage of time and a more expansive consideration of just who might represent a material stakeholder, undergone some refinement (see Hart and Zingales, 2017, for a recent perspective, for example). However, while Hart and Zingales as but one illustration of such refinement, document the primacy of shareholders, the academe has not subjected NPO governance and founder/executive accountability to scrutiny. It is necessary to record for completeness, an elaboration of the subtext underlying this otherwise disregarded aspect of NPO operation. This is undertaken in the following section and as an elaboration of subtext, is presented as a first person narrative.

3.7 ELEVATING THE SUBTEXT OF DISARMING NPO GOVERNANCE INCOHERENCE TO PROMINENCE

Perhaps unconventional, is the introduction at this point of a perspective I regard necessary, for Dhunpath's (2003) views were articulated in the context of the qualitative appraisal of the evolution of an NGO. His perspective is infinitely valuable, for it establishes the presence of an alternate point of view. However, as research author, with the benefit of decades' association with both benefactors and beneficiaries, I am disinclined to embrace the notion that primary accountability should be 'downwards'. In an ostensible free and open democracy, easing the requirement to account for the sustainability of actions to the donors of funds, subverts the integrity of the arrangement. The recipient of a service is not the primary stakeholder in this arrangement, for the recipient neither pays for, nor necessarily contributes to the provision of the service. While volunteers are very often drawn from beneficiary communities, this suggests to me, requirement for further elevating accountability to funders. This is required, I assert, to satisfy same that beneficiaries are not unreasonably enriched relative to the funder's expectation of equitable distribution of funded benefits.

My view is neither 'counter-revolutionary', nor unconventional. Viability and sustainability are essential to all forms of enterprise, none more so than enterprises that source their revenue from individuals and entities that do not directly benefit from the enterprise value proposition. Having endured the painful obligation of undertaking the winding up an NPO with a 40 year track record in assisting impoverished communities with welfare services, I can confidently, if anecdotally, assert that NPOs cannot account to

beneficiaries in matters of viability. The beneficiaries are for the most part neither capable of assessing the authenticity of claims by NPO executives, nor are they interested. The primary interest is in the continued receipt of benefit. The only group capable of ensuring satisfactory planning and probity, are the entities financially invested into the NPO. Patrons and donors enjoy power to hold NPOs to account, an 'upward accountability', even if this power is not, or is fleetingly, exercised. Goddard and Assad (2006) think of this as an 'accounting for legitimacy' to patrons. There is no way of avoiding this: economic viability is ultimately the primary driver of all NPO activity. While the view that emancipatory revolution is ongoing is acknowledged, in an ostensibly free and open democracy easing the requirement to account for the sustainability of actions to the donors of funds, subverts the integrity of the arrangement. The recipient of a service is not the primary stakeholder in this arrangement, for the recipient neither pays for, nor necessarily contributes to the provision of the service. While volunteers are very often drawn from beneficiary communities, this suggests to me, elevated requirement for accounting to funders. This is required, I assert, to satisfy same that beneficiaries are not unreasonably enriched relative to the funder's expectation of effective distribution of funded benefits.

Registered South African NPOs account annually for legitimacy to their government patron with financial performance as well as narrative reports (this point elaborated in section 3.6 supra). Other than requiring specification of office bearer details, staff job titles, race and gender, and organisation vision, mission and objectives, the NPO Act does not prescribe the form of the narrative report – it does, however, stipulate that it be provided "in the prescribed manner" (NPO Act S18 (1) (a), 1997). The stipulation was published in the Government Gazette of 18 February 2000 (Government Gazette No. 20877, 2000, pp89-113) and a record of achievements and a Chairperson's report provide the substantive mass of the desired narrative. NPOs have a nine-month grace period following financial year-end, to complete and submit their financial and narrative reports. S17 (2) of the Act states as follows:

> *Within two months after drawing up its financial statements, every registered nonprofit organisation must arrange for a written report to be compiled by an accounting officer and submitted to the organisation stating whether or not—*
>
> *(a) the financial statements of the organisation are consistent with its accounting records;*
> *(b) the accounting policies of the organisation are appropriate and have been appropriately applied in the preparation of the financial statements; and*
> (c) *the organisation has complied with the provisions of this Act and of its constitution which relate to financial matters.*
>
> (NPO Act 71 of 1997).

S20 (1) (b) of the Act entitles and in fact obliges the NPO Directorate to "refer the non-profit organisation to the South African Police Service for criminal investigation if satisfied that any non-compliance may constitute an offence" (NPO Act 71 of 1997). The ineffectual monitoring of this government-directed NPO self-governance and patron-reporting-obligation is, therefore, disquieting: The DSD transparently and disarmingly concedes:

> *By the end of financial year 2015/16, the Department received 30 681 Annual reports from the organisations and 97.2% (29 830) were processed within the required two months turn round time [sic]. On average, the Department received about 122 reports per day. Most of the reports came from Gauteng (31%), Limpopo (15%), KwaZulu Natal (14.8%) and Mpumalanga (10%). The Northern Cape submitted the less reports [sic] (1.8%).* (DSD, 2016, p5).

The preponderance of reports can be expected to emanate from the provinces where the preponderance of NPOs are registered. However, the submission of reports (which in itself does not necessarily translate to NPO compliance) demonstrates fleeting compliance with the regulatory reporting requirements. The registration and reporting compliance that divulge this anomaly, are illustrated in table 3-11.

Table 3-11: NPO compliance with legislative reporting requirements in respect of the year ended March 2016

Province	No. of NPOs per province	Provincial proportion of national NPOs	No. of reports submitted in respect of the 2015/16 year	Percentage of compliant NPOs by province
Northern Cape	2 952	1.9%	538	18.2%
Free State	7 613	4.9%	1 023	13.4%
North West	9 477	6.1%	1 995	21.1%
Mpumalanga	11 497	7.4%	2 296	20.0%
Eastern Cape	13 672	8.8%	2 877	21.0%
Limpopo	15 847	10.2%	3 104	19.6%
Western Cape	15 847	10.2%	4 516	28.5%
KZN	29 520	19.0%	4 694	15.9%
Gauteng	48 941	31.5%	9 586	19.6%
Totals	155 367	100%	30 629	19.7%

Source: Author, from DSD (2016, p12 and p15).

While this information is drawn from DSD reports, and is professed to represent NPO reporting compliance for the 2015/16 operating period, there is nagging doubt that this is necessarily an accurate rendition. The

publication date of the DSD report on the state of the NPO register is March 2016. NPOs, whether informal or formal, will not have generated their annual financial reports by March 2016, in respect of the year ended 31March 2016, before at least a month, usually many more, beyond the year-end. In light of that particular piece of evidence, 30 629 NPOs would not have submitted their reports to the NPO Directorate in respect of the 2015/16 period.

Although the veracity of the information summarised in table 3-11 is unknown, it must be presumed as accurate emanating as it does from official source. It can reasonably considered though as an imperfect, perhaps even whimsical account of the state of the NPO register. Poweverfully, though, the conclusion must be emphasised that legislative directive does not necessarily ensure NPO compliance. Nor does the threat of deregistration serve, apparently, as material incentive for NPOs to observe their legislated obligation.

Government's maintenance of the NPO register and ancillary NPO compliance obligations ought to be scrupulous. If it is not so, then it facilitates malfeasance. It is immaterial whether government's apparent laxity is benevolent or negligent: if a delinquent NPO retains registration status, it misleads donors and beneficiaries alike, for these parties are predisposed to contemplating government's patronage of the sector to warrant effective NPO self-governance. In this apparently benign dispensation, the prospect for misdirection of funds, misplaced allocation and misappropriation, by inept or malevolent NPO founders, managers and directors, is unsettling.

This sub-section has thus far defined accountability, principally to identify the parties to whom NPOs may be expected to account, and isolated the arrangement within which NPOs are required to account. This has prompted consideration of the likely adequacy of this arrangement, for it appears there are grave flaws in the execution of an otherwise unexceptional policy flowing from legislative regulation of the NPO sector. What can be reasonably speculated at this point, is that government's desire for an accountable NPO sector follows a distant second to the primary objective of statutorily bringing the NPO component of civil society into being. That objective, would be a reduction of the independence of a substantial proportion of civil society. There is little beyond my reasoned speculation to support this notion, but the defence seems sound, and founded in a wealth of scholarship in this regard. It is the presentation of this supporting foundation, which forms the substance of the following section.

3.8 EROSION OF THE INDEPENDENCE OF CIVIL SOCIETY

To enable in the research report discussion (chapter nine), contemplation of the prospect for efficacious contribution of South African NPOs to developmental welfare, it is necessary to establish prevailing, if not predominant opinion of civil society sector independence. If NPOs (the proportion of civil society given over to state direction of scope and performance of activity) are insufficiently independent of state command, this will require conclusion that NPOs are less likely independent civil society organisations, than they are just regulated sub-contractors to the state's interpretation of the democratic project.

As Smith and Lipsky (1998), Geng and Meijs (2016) and others observe, "the registration strategies of the government and the manner in which they provide resources can threaten the autonomy of NPOs" (Geng and Meijs, 2016, p5). Smith and Lipsky in fact contend that "deceptive is the concept of the voluntary agency fuelled entirely by a neighbor-helping-neighbor altruism, because it masks the increasing dependence of non-profit service organizations on government funding" (1998, p4). Smith and Lipsky (1998) also maintain that the greater the reliance placed by the state on the contribution of the voluntary sectors of society, the greater the level of involvement by the state in the affairs of these sectors.

Nicolson (2013) points to evidence of dysfunctionality, following the deregistration of 36 488 NPOs by the DSD at the transition of the 2012 and 2013 calendars. A further 35 204 organisations were issud non-compliance notices (Nicolson, 2013; Southern African NGO Network, 2013). Nicolson reported:

> *It looked like a death blow to those pushing the "ideological armoury of the anti-majoritarian liberal offensive", to borrow a phrase from Communist Party secretary general Blade Nzimande. But industry insiders say it was a sign of a hopeless department and NPO Directorate rather than a malicious strike.* (2013, online)

The deregistered organisations were given no warning of the impending deregistration. "After public pressure mounted and the Department of Social Development realised it was breaking the law, it said it would re-register all the organisations and give them six months to get their affairs in order" (Nicolson, 2013, online). Nicolson approached a member of the legal fraternity for comment, who "put the current problem down to dysfunction rather than an attempt to control or intimidate civil society" (Nicolson, 2013, online). Similalry, a large 'philanthropic intermediaries and voluntarism promotion' - ICNPO group 8 - NPO chief executive commented to Nicolson that "there has been a lot of suspicion around the state's motives but the problems with de-registration are mostly related to the NPO Directorate and a lack of capacity and lack of effectiveness" (Nicolson, 2013, online).

Dysfunctional public administration aside, this hiatus as interpretable as an act of presumptious and arrogant authoratarianism, more in keeping with despotism than democracy. According to The Mail and Guardian, in a special report on the role of non-profits:

> *The NPO has taken on a position where it often supports weak or failing government services, and this makes it an essential tool for the continued growth of the country socially and economically. However, it is an unregulated and unco-ordinated sector that needs clearer methods for quantifying success.* (Mail and Guardian, 2014, online).

Stuart (2013) relates that the demands for accountability by patrons distances human service organisations from intended beneficiaries of their services. The necessity to account to funders in matters of financial probity and programme performance is neither a structural, nor an ideological constraint. It is a matter of necessary governance in a socio-economic context characterised by heightened desire for transparency and equity in decision making. However, "the nature of the funding process and the special nature of contracting organizations create special conditions of vulnerability for nonprofit agencies" (Smith and Lipsky, 1998, p10). These authors elaborate by pointing out that "more dependence on nonprofit organisations means not less but more government involvement in the affairs of voluntary and community agencies" (1998, p5), and that:

> *Rather than relying mostly on private charity and volunteers, most nonprofit organizations depend on government support for over half of the revenues: for many, government support comprises their entire budget. In contrast to the traditional image of government and nonprofits as two independent sectors, the new relationship amounts to one of mutual dependence.* (Smith and Lipsky, 1998, p4).

Herein lies the rub: the appeal to government of the foundation of skills and community relationships developed over sometimes very considerable periods of time, is immense. Unsurprisingly, contracting civil society represented to the post-1994 public administration, opportunity for both seamless transition of service delivery, as well as increase in service provision. However, taking what were once civil society allies to (the new) government's bosom, represented an unknown quantum, for these former allies had instantly become adversaries once the struggle for emancipation had been won. Commensurate with the new administration's emphasis on service delivery, the NPO Act was approved at the end of 1997. The Act's promulgation immediately rendered all NGOs that had received government funding to that point, ineligible for any further government assistance unless they subjected themselves to registration in terms of the Act.

Where human service organisations have enjoyed regular government patronage, a menacing vulnerability develops. This is not peculiar to South Africa; Smith and Lipsky (1998) comment in the American context, of what they refer to as the 'blockiness' of contracts, pointing out that funded organisations are held responsible for contractual performance targets. Any organisation from which a 'contract block' is withdrawn, or withheld, faces substantial reduction in operating activity and very often, termination of the enterprise. "The fact that agencies do not normally expect to lose contracts only slightly reduces their sense of vulnerability over the possibility of contract loss" (Smith and Lipsky, 1998, p10).

Government does not fund the total cost of service provision. Formulaically, government-determined funding sums are contemplated for service types. Accommodation, for example, is recognised as bed-night funding sum per person. Welfare services are funded by granting salary subsidies in respect of filled social worker posts. Service centres are funded by reimbursing organisations in respect of recorded attendance at service centres. The sums are paid monthly, in arrears, upon receipt by the DSD of returns of information in respect of which reimbursement is claimed. Once-off grants are sometimes paid in respect of capital expenditure. All sums paid by government are contemplated in respect of business plans submissions made by qualifying organisations. These business plans must be prepared and submitted annually, and incorporate historical financial and narrative performance reports together with specification of performance targets and forecasts of expected financial performance for a period of three years. Performance targets must be wholly aligned with government's technical specification. In other words, the vision, mission, and objectives of NPO's seeking contractual appointment and thereby security of funding, must align in entirety with government's vision, and service specification.

In return for contracting NPOs in this way, government typically funds less than the half of the total cost of service provision incurred by the NPO. The balance of the funding shortfall can sometimes be partially recovered from target beneficiaries, as fees-for-service. Old-age homes, for example, derive revenue from their clients. However, for the greater part, the funding shortfall is recovered from a combination of public charity drives, corporate donations, charitable foundations and for some fortunate organisations, intermittent National Lottery grants. This precariousness is commonplace. Investigating the imminent closure of an AIDS-centre in the Eastern Cape, Davis (2012), reported the outcome of an Eastern Cape survey thus:

> *A recent survey of NGOs in the Grahamstown area undertaken by the SA Institute of Fundraising found that only 16.6% of the organisations polled had enough money to cover six months of operating expenses. Corporate donations had been cut by 42.3%, the survey found, with National Lottery funding down by 37.9% and individual donations cut by 37.2%.* (Davis, 2012, online).

Davis continues, to cite Rhodes University scholar Kelly, director of the institution's Centre for Aids Development, Research and Evaluation:

> *Grahamstown is like any other small town in this region, in that it has a serious HIV problem. There are likely to be at least 10,000 people (living with HIV/Aids) here. That means its problem is neither greater nor smaller than the surrounding areas. But the bigger story here is the many small organisations which are providing essential HIV-related services which are not being appropriately supported by government. Take a town like Grahamstown, and strip away the Raphael Centre, the Jabez Centre, FAMSA, Child Welfare, etc. About 20 organisations, all surviving on God knows what. Take those out, and ask what you've got left. Threadbare social services, that's what.* (Davis, 2012, online).

The difficulty in overcoming the uncomfortable truth of threadbare social services, is framed by a number of factors. At the very least these include a government compelled by constitutional imperative yet constrained by a limited administration and a commitment to cash grants to qualifying indigent citizens. That these grant recipients are growing in number at a rate unmatched by the growth in national income, limits the capacity of the state to elevate the quality of social service or the quantum of delivery. An authoritarian administration cannot adequately administer the regime in terms of which a co-opted civil society's "service workers act at the margin to make fateful decisions about people" (Smith and Lipsky, 1998, p12). Perhaps even more critically, "democratic governance requires that government adequately hold accountable all agencies that implement public policy, whether they are government bureaus, businesses, or nonprofit contractors" (Smith and Lipsky, 1998, p13). Regrettably, the literature suggests that government may have produced guidelines for monitoring these efforts, but these are not fit for purpose and/or are underutilized and, crucially, do not defend the NPO sector from government imposition.

3.9 SUMMARY AND IMPLICATIONS

This chapter represents a review of the literature informing the research process with respect to the NPO sector, principal agents in a form of state contracted welfare service provision. Having established how social policy informs social intervention in the previous chapter, chapter two, this chapter has attended to defining NPOs by contemplating the origins of civil society, the emergence of what are more ubiquitously recognised as NGOs, and ultimately the South African model of NGO co-option achieved through legislatively establishing a class of regulated civil society identified as NPOs. Uniquely, these organisations

can enjoy dual corporate form, commencing with corporate registration as non-profit companies, or trusts. They are subsequently additionally registered as NPOs in a far less rigorous frame of reference but a materially substantive one, for only registered NPOs can qualify for financial assistance by any arm of South African government. Seemingly innocuous, the legislative catch-all represented by the NPO Act 71 of 1997, gives the owners of this body of legislation, the DSD, remarkable power over the government-registered NPO component of the NGO sector.

The chapter demonstrates how the NPO forerunners, NGOs, are subject to multiple forms of classification. This can revolve around the nature of benefit provision, distinguished as a narrow focus on benefit provision to members, or a broader focus on public beneficiation. The origins of NGOs in South Africa's struggle politics has given rise to classification of NGOs as implementation-oriented, or protest-oriented. However, a further level of NGO classification is a distinction between welfare-oriented citizen groupings seeking primarily to redress the immediate adverse consequences of uncivil government policy and action, and the more recent emergence of development-oriented NGOs. Thought to represent an inevitable advance in the characterisation of NGOs, this view regards human welfare services as necessary, but as secondary to longer term remedial, developmental, intervention.

By elucidating the internationally adopted classification, the ICNPO, evaluating the profile of government-registered NGOs is enabled. The register of NPOs maintained by the South African government reflects that less than a fifth of registered NPOs are ICNPO Group 6 organisations, considered to attend to three areas of activity: economic, social and community development, housing, and employment and training. One would expect then, in a context characterised by government ambition to enact social development by coopting NGOs, that ICNPO sub-group 6 100, economic, social and community development organisations, would reign supreme. However, the NPO register reveals that almost half of the NGOs registered by government since the promulgation of the NPO Act are ICNPO Group 4 organisations, engaged in the provision of social services. This is a material phenomenon, for while government asserts a so called developmental welfare stance, emphasis is anecdotally observed to encompass the delivery of rehabilitation services, focused on short term intervention, to vulnerable citizenry. That government's position is anything more than ideological rhetoric, and whether the ostensible emphasis evidences any change in the developmental deficit of the nation, has hitherto not been subjected to scrutiny. This body of research embarks on the journey to change that shortcoming in the knowledge commons.

3.9.1 Implications for further research

The mechanism employed by government in co-option of civil society, by imposing an apparently agreeable programme of registration of NGOs willing to succumb to the oversight of the state, clearly strips away the autonomy of these NPOs. Couching the mechanism in congenial rhetoric is an opaque action, punctuating civil society with state authority manifesting as both willful and ignorant registration and regulation. Each of these perspectives prompts further research.

With respect to willful registration, it is entirely possible that some NPOs are established at the behest of the state, to achieve state ambition. To the extent that what has indelibly marked the incivility of the state, the Life Esidimeni tragedy [2], represents an exercise in befuddled bureaucratic expedience, the prospect of further instances of willful government ignorance merits investigation. Entities created with little observation of diligence and probity, have circumvented state procurement processes by virtue of state-facilitated access to commercial opportunity. The distinction between commercial, not charitable endeavor, is underscored. The Life Esidimeni NPOs were hastily assembled to operate a Department of Health project. Where NPOs obtain exclusive access to what appears to be pre-determined, not necessarily authentic projects and activities, the democratic project could be considered to have been eroded, not promoted. Enquiry is consequently advocated to determine the scale and scope of simulated development project activity, to evidentially identify the practice as a phenomenon, and not a potentially biased researcher observation.

By ignorant registration and regulation, it is intended to convey that research enquiry beyond the present research, will establish the quality of the controls exerted by government over the NPO sector. This is perhaps especially so in respect of those NPOs commandeered by the state as vehicles for state ambition. These special project initiatives do not necessarily met the criteria for achievable project outcomes. Analysis of the data collected for the two phases of this research, reveals unusual funding activity of one-off projects. Mindful that features of sectoral regulation are exposed in this chapter as quite possibly substandard, research enquiry to examine more closely the nature of the process by which projects and NPO-partners are respectively identified and selected, appears warranted.

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[2] By the end of 2016 and proximate to the early 2017 publication of the medical ombudsman's report into the tragedy, almost 100 mentally ill patients of the state had died after having been transferred from formal private sector facilities to the care of state appointed NPO contractors. "The NGOs where the majority of patients died had neither the basic competence and experience, the leadership/managerial capacity nor 'fitness for purpose' and were often poorly resourced. The existent unsuitable conditions and competence in some of these NGOs precipitated and are closely linked to the observed 'higher or excess' deaths of the mentally ill patients." (Makgoba, 2016, 02).

Also, those NPOs established with what appears to be scant regulatory regard for the adequacy of the NPO founders and management to deliver goods and/or services, in the guise of charitable and hence apparently benign endeavor, warrant closer scrutiny

3.9.2 Implications for conducting this research

The size and scope of the NPO sector having bewen established, in the context of the unique interpretation of the NPO as juristic entity, the chapter has also emphasized the predominant objective of South African NPOs as human service entities. First actively reported at the turn of the century (by Swilling and Russell, 2002), the DSD has since generated national register reports, affirming human service NPO ubiquity, but in very broad terms. However, the sectoral profile in the provinces remains undocumented. Neither has the association, if any, of the sector's representatives relative to the target human service beneficiary population been reported. The first phase of this research enquiry rectifies this shortcoming.

By undertaking a population study in KZN of the reported NPO register (as at April 2012), a profile of the NPO sector is established, and a frame of reference is determined by which the investigation methods can be mimicked in profiling the remaining eight provinces. This breakdown is useful for scholars and development practitioners alike. However, the pronounced benefit arises in relating the spatial distribution of human service NPOs, to the spatial occurrence of human deprivation. This study sets out to illustrate the spatial association of human service NPOs and human deprivation, to the end of determining the qualities and direction, if any, of such a relationship. Circumscribed in this study as a population study of KZN, the immediate benefit arises in informing scholars and development practitioner alike, of the characteristics arising in KZN. Not only is this the country's second most populous province, it is also characterised by exceptional levels of poverty. The research establishes a benchmark for repeat studies, and establishes an investigative protocol for mimicking the research in the remaining eight provinces.

Finally, the second phase of the research isolates the NPOs contracted by the KZN provincial government over a period of five years, stretching from the operating year ended March 2013, to the year ended March 2017. This enquiry was conducted to the end of evaluating the impact of government's hand-picked cadre of human services NPOs on the scale of deprivation encountered in KZN, over the study period. The results of the research second wave has implications for the role of the sector, because as a large employer, and mobiliser of other people's money, there is an entirely reasonable expectation that the sector should operate beyond reproach, in compliance with the law, and as a value-add contributor to government's ambition of 'social development'. Indeed, where the sector is as considerable as the South African human services NPO sector, there should be an inordinate amount of attention paid to preserving the sector. Instead, it

appears that regulatory control and statutory compliance monitoring systems are inadequate. This has three key implications: the effective utilisation of taxpayer funds, the effective utilisation of donor funds, and the quality of service delivery.

While it is apparent as state commission after state commission determines public sector malfeasance on the grandest of scales, the expectation remains that taxpayer funds are, in anything other than compromised states, to be flawlessly and usefully directed and disbursed. The human services NPO sector trades heavily on the ostensible beneficence of human welfare provision. It is apparent to me in my tenure in the sector that both individual and corporate donors alike, are exceedingly easily both convinced to donate and satisfied that they have performed a valuable service, by placatory and shallow reporting of benefits obtained. The circumstance is notably distinct in first world jurisdictions, where the sector represents a professionalised form of business endeavour. However, the acumen shortfall and naiveté associated with the South African general public, certainly, exhibits as relatively unquestioning acceptance of NPO representations. Grassroots organisations do not have the capability to deliver impeccable service quality and there is therefore an incorporated ineffectiveness and inefficiency that is masked by the ostensible altruism of the service provision.

It is contended that profiling the NPO sector in the province, and evaluating the impact of government's direction of resources, closes the current gap in the knowledge commons of the contribution of the sector to the social development claimed by government.

3.9.3 Conclusion

It is not unreasonable to read into the liberalism and ostensible benevolence of non-profit work, a presumption of selflessness. This is supported by Smith and Lipsky (1998, p29). However, there is no reasonable basis for this presumption, even if it appears rational at face value. NPOs, as a government-registered component of civil society were instrumentally brought into being by a body of legislation. The statute regulates the sector, and it would appear balefully inadequately so. Smith and Lipsky bluntly assert that "government agencies still tend to lack the personnel to monitor programme quality" (1998, p80), addressing American voluntary sector regulation. Their opinion translates very suitably to the South African context, two decades on.

The government's register of NPOs reflects abundant growth in NPO registrations, and the sector is confidently presumed to be a very substantial economic agent. However, the pace with which the sector has grown is out of keeping with what is ascribed as the nation's human capital development, and the

nation's economic growth. Quite what the burgeoning sector is actually up to remains anybody's guess, because there is scant evidence of the actual contribution of the sector generally, and very little beyond the broad brush strokes of Swilling and Russell's study at the turn of the century.

It is naively hopeful to expect that ostensible good intentions do not disguise considerable self-interest. My personal experience, while anecdotal and arguably narrow, does not suggest that NPOs are universally productive, efficient and effective. My experience of, and encounters with government's NPO administrators, both direct and indirect over almost two decades, suggests an inept administration, struggling to keep its bureaucratic head above water. Where the entitlement of patrons to call NPOs to account is weakly or carelessly exercised, it is reasonable to contemplate that governance of the sector could be compromised. Weak, or limited government oversight of the sector may have inadvertently crafted a NPO sectoral culture where defective governance could reign supreme. This argument is one to which I return in the discussion set out in chapter nine.

As the sector continues to grow, it conveys an increasing threat. Increasingly, the critical press has shown how NPO sector maladministration and malfeasance have come to light. Sometimes – as is the case with the eponymous 'Life-Esidimeni tragedy' – the treacherous consequence of bureaucratic bungling mixed with ineptitude, self-indulgence and the promise of enrichment, all posturing as social benevolence, have been revealed. I am inclined to think that most *faux pas* are quietly swept under the carpet, hence a relevance in exploring some of the data outliers revealed in the first phase of data analysis, on a case-by-case basis to identify whether NPO intention, and government patronage, have mischievously combined to misdirect government and donor funding. Deception practiced in the guise of social development, is a grave deception indeed. It would be treacherous for intellectuals to feign ignorance of the potentially impious payload of the Trojan horse that has entered the gates of the democratic project.

CHAPTER 4

DEPRIVATION

4.1 INTRODUCTION

This study seeks, in the first investigative wave of enquiry, to explore the relationship between deprivation in KZN and the dispersion of the NPOs providing succour to the deprived. The conceptual framework by which the research problem is understood and the research questions are formulated, establishes three constructs. Chapter two has reviewed the scope and nature of social policy, in its manifestation as social welfarism and what is understood in South Africa as developmental welfare. Chapter three has reviewed the origins and development of the non-profit organisation as a concept, derived from a century old understanding of non-government organisations as civil society representation. Chapter three also addresses the typology of NPO organisations, to establish the frame of reference by which the study's focal variable NPOs execute their mandates as human welfare service delivery providers.

It remains to elucidate the third of the three constructs in the conceptual map guiding the construction of the research report. This chapter, four, unpacks the construct of deprivation. There is a necessary emphasis on achieving a definitive elaboration, for the term is used interchangeably and in conjunction with the terms disadvantage, poverty, social exclusion and social isolation. A holistic conception of deprivation is favoured, being the coincidence of economic exclusion (recognised commonly and conventionally as poverty) and social exclusion, being the relative lack of access to economic, social and cultural activities as are enjoyed by less peripheral, and hence more fortunate fellow citizens. The purpose of this chapter is therefore to review historical and contemporaneous literature to establish the emergence over time of our understanding of deprivation as a lived condition, and the features of current interpretation of this condition as a target for policy intervention and humanist remediation.

Perversely, deprivation – both income paucity and social alienation – can ensue from policy position. This unexpected adversity can accrue to both individuals and entire communities, should adoption of national or provincial spatial development policy promote development of particular areas. This was fundamentally the experience of indigenous ethnic groups in South Africa, pre-1994, but similar experiences have manifested post-1994. This suggests that deprivation can be interpreted as both material and relational. The former circumstance manifests as a lack of material resources and the latter as compromised social integration. This study adopts the posture that deprivation and ensuing disadvantage – arising through

simultaneous income poverty and social exclusion - is a more complete conception of the impaired living condition.

The form this chapter will follow is to commence with an elaboration of the foundations of deprivation, and to distinguish between material poverty and relational poverty. The latter construct acknowledges that social inequality limits the capacity of the materially poor to elevate themselves beyond their income deprived circumstance. Vulnerability, the consequence of income and resource poverty, is identified as a gradient, the worst-off citizens enjoying little opportunity to exert capable agency on their impoverished circumstance. Conversely, the least vulnerable enjoy greater potential to exert agency over hardship. This gradation is considered imperative as a foundation for subjecting government's modality of social development welfare to scrutiny. After all, if government's social development welfare is out of step with the needs of the disadvantaged depending on where they might fall on a gradient of hardship, the utility of government's modality would be called into question.

In this chapter, the primary literature buttressing the tools and techniques of deprivation measurement, as a distinct approach to measuring income poverty per se, is systematically reviewed. This includes the indices by which poverty and social exclusion are measured. The rationale underpinning a selection of indices is identified and the criticism levelled at the derivation of the indices and their utilisation is considered.

The study's dependent focal variable is the manifestation of both the incidence, and prevalence, of deprivation. The ideology and social policy of the former, pre-1994 government, gave rise to a spatial development legacy that concentrates disadvantage. Consequently, this chapter also considers the geography of deprivation. It is evident that bizarre spatial planning and selective, 'separatist' urban and economic development have bestowed a socially ruinous legacy. To be fair, is unlikely that the current government administration will find this easy to resolve.

The antithesis of 'deprivation', is considered in this research to be 'development'. Conventionally understood to be a function of economic growth, the international 'Great War' conflicts of the 20th century brought focus to bear not just on social welfare, but increasingly upon social development. Social development is now understood to be an accompaniment, and perhaps also a precursor, to economic growth. Consequently, and in view of the challenge this research work poses to current government social development policy and practice, the chapter's penultimate consideration is a contemplation of the scope and meditated practice of social development interventions.

Adopting a common frame of reference for understanding deprivation, its measurement and geography, and the vectors by which social development is considered to be brought about, establishes a frame of reference

for developing this study's design and methodological approach. The chapter concludes with a summary of the prominent aspects identified in this review of deprivation and its discontents, highlighting those elements that are considered to materially guide the construction of the research design.

4.2 THE ASSOCIATION OF POVERTY AND DEPRIVATION

The notion of poverty represents an attractive catch-all phrase for deprivation. Poverty has been considered, variously and in combination, "as multiple deprivation, as a lack of economic resources and as a social assistance dependency" (Heikkila, 1995, p63). Unfortunately these approaches do not necessarily isolate the same populations of impoverished. Material deprivation is the common element of all approaches to defining poverty but it does not necessarily incorporate aspects often accompanying a lack of material resources, such as limited social integration and social participation (Room, 1995; Badelt, 1999). These features – a lack of social power, inadequate social participation and a lack of integration are regarded as characteristic of what is explicated as social exclusion. Bruto da Costa (1995) maintains that social exclusion is a heterogeneous phenomenon, experienced at the level of individuals, social groups, areas and regions. He also points out that social exclusion is multi-dimensional, requiring support ranging from that provided at the individual and household level, as well as policy direction at a regional and budget level.

At the level of the individual, the state of individuals' wellbeing is a function of material deprivation as well as compromised social integration. As couched by Walker, "social exclusion … is a destination on a journey through poverty" (1995, p127). However, while poverty is almost always associated with restricted social integration, it does not follow that social exclusion is necessarily accompanied by poverty. Rather, material resource deprivation may be considered a driver of the concept of disadvantage, and social exclusion can be considered to originate simultaneously to and independently from, material deprivation.

Regarded as a pioneer of multidimensional poverty research, Townsend elected during the 1970s to account for living standards and conditions in measuring poverty, introducing the notion of poverty arising from material deprivations. According to Townsend:

> *Individuals, families and groups in the population can be said to be in poverty when they lack the resources to obtain the types of diet, participate in the activities, and have the living conditions and amenities which are customary, or at least widely encouraged or approved, in the societies to which they belong. Their resources are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary patterns, customs and activities.* (1979, p31).

The Townsend Index accounts, within the context of prevalent affluence of the United Kingdom, for the relative deprivation suffered by some citizens and provides data to enable policy makers to address the conditions by which the deprivation is considered to arise.

Bhalla and Lapeyre cite Lipton and Maxwell (1992) who reflect that since the 1970s, less emphasis has been placed on income-based measures of poverty, as attention has moved to "multi-dimensional concepts of livelihood and livelihood security….[which]…allows us to measure and evaluate the level of vulnerability" (1997, pp415-416). Bodewig and Sethi cite the European Union definition of poverty:

> *People are said to be living in poverty if their income and resources are so inadequate as to preclude them from having a standard of living considered acceptable in the society in which they live. Because of their poverty they may experience multiple disadvantages through unemployment, low income, poor housing, inadequate health care and barriers to lifelong learning, culture, sport and recreation. They are often excluded and marginalized from participating in activities (economic, social and cultural) that are the norm for other people and their access to fundamental rights may be restricted.* (2005, p62).

Interrogating the foundation of Townsend's Index, Lipton and Maxwell's reflection and the European Union definition, reveals several coincident threads: the notion of an acceptable standard of living, privation experienced as multiple disadvantages, social marginalisation and the necessity for access to resources.

4.2.1 Absolute income poverty and standard of living

Income poverty establishes capability with respect to enjoying a standard of living. The selection of products and services for consumption and indeed the freedom to exercise selection, is dictated by level of income. Traditionally, poverty lines have been used and are still used to measure poverty. Poverty lines represent absolute measures of deprivation, illustrating a cut-off point between the poor and the non-poor. The determination of the line is controversial because it suggests firstly that income is a satisfactory measure of poverty, and secondly that poverty is a dichotomous nominal variable. While a South African poverty line was introduced in 2007, it was simultaneously acknowledged that there exist several potential flaws in the approach. Announcing the intended launch of the national poverty line in 2007, the National Treasury raised a set of concerns:

> *Questions to be considered include the following: Should a single poverty line be adopted or would several reference lines better capture different degrees of poverty and deprivation? Should a poverty line represent an "absolute" level of household requirements, or should it be a "relative" index that adapts to rising general living standards and income? How should household size be*

> *taken into account? Should different measures for urban and rural areas, or for different geographic areas be adopted? How regularly should the basket of goods used for calculating the poverty line be reviewed? How can we assure that a poverty line remains relevant and accurate over time?* (National Treasury, 2007, p2).

Treasury simultaneously pointed out that:

> *The idea of a poverty line is not that household vulnerability can be satisfactorily reduced for analytical purposes to a single index, but rather that a consistent measure, while imperfect as a gauge of household needs, can nonetheless serve as a useful comparative index of trends over time and of relative wellbeing across the social landscape.* (National Treasury, 2007, p2).

Mindful of the shortcomings of a unidimensional index of poverty, the use of a poverty line as poverty metric seeks to determine the number of citizens falling below the cut off for "a specified standard of nutrition, shelter, education or health care, for example" (National Treasury, 2007, p4).

The shortcoming of this approach is the monetary value of the line, for it represents a value judgement and does not account for differing regional costs of living; neither does it account for the extent to which household needs are adequately met. Budlender, Leibbrandt and Woolard observe that:

> *What absolute and relative poverty lines have in common is that both are set by "experts", who determine by themselves the consumption required to be non-poor. This approach has been criticised, especially in South Africa.* (2015, p8).

The appeal of a poverty line, notwithstanding the inherent absurdity in distinguishing the most well off poor person from the least well off non-poor person with an absolute cut off, is derivation of a broad parameter of unsettlingly poor people who cannot thrive as citizens in an environment that impedes even survivalist consumption. Thus while the conception of poverty-as-consumption adequately captures a snapshot of absolute poverty, it falls short in providing a checklist of the extent to which a multiplicity of household requirements are met. In other words, a discrete measure of deprivation experienced - and hence the impairment of living condition - cannot be adequately assessed in terms of an absolute poverty line.

4.2.2 Deprivation and multiple disadvantages

Disadvantage is suggested to arise through precluded or prohibited social participation. Income paucity precludes participation; policy – as was the case in pre-democratic South Africa – prohibits participation. Disadvantage is construed as multidimensional and Bodawig and Sethi (2005) for example cite the World

Bank's (2003) non-income poverty indicators: education poverty, housing and citizenship rights poverty, health poverty, housing conditions poverty and employment poverty. These are documented in table 4-1.

While employment clearly has an income element, the lack of employment is regarded as a lack of social inclusion, particularly for employable individuals willing to work but unable to find employment for an extended period. Citing Burchardt et al. (2002), Orr specifies "core activities which constitute participation in society" (2008, p5) as consumption, production, political engagement and social interaction. These activities encompass the capacity to indulge consumption, participation in economic activity, participation in community decision making at local and national levels of government and integration with the wider community as well as with friends and family. Orr's contribution is summarised in table 4-2.

Table 4-1: Multi-dimensional non-income deprivation indicators

Education poverty	Arises where individuals older than 15 years are not in school and have incomplete education or only primary level education.
Housing and citizenship poverty	Refers to households where title deeds are not available to confirm ownership, and where occupants are of uncertain citizenship status.
Health poverty	Refers to the presence of major physical ailments in the working age population of 15 to 64 years of age.
Housing conditions poverty	Refers to households with no tapped water and/or flushing toilet, and/or the accommodation is partly destroyed or overcrowded.
Employment poverty	Refers to the absence of employment for working age individuals (15 to 64 years) who are able and willing to work.

Source: Adapted from Bodewig and Sethi (2005, p19).

Table 4-2: Factors constituting participation in society

Consumption	The capacity to undertake purchase of goods and services.
Production	Participation in economically or socially valuable activities.
Political engagement	Unimpeded participation in political life, including involvement in local or national decision making.
Social interaction	Unimpeded exercise of choice over integration with family, friends, and community.

Source: Adapted from Orr (2008, p5).

Disadvantage arises when an individual is economically or socially precluded, or legislatively prohibited, from enjoying a level of participation. Deprivation arises from an inability to integrate fully in economic, political and social activity. Peace (2001) cites Burchardt et al. (1999) as follows:

> *An individual is socially excluded if (a) he or she is geographically resident in a society and (b) he or she does not participate in the normal activities of citizens in that society.* (Peace, 2001, p28).

Orr (2008) proposes that this disadvantage – being deprived of opportunity to practice one's humanity and citizenship – is a consequence of limited capability and functioning. Necessary capabilities for functioning include longevity; the related paradigm of physical health and nutrition adequacy; recognition and social affiliation; emotional attachment; political participation, especially in political choices that effect living and livelihood; being able to coexist with others within the framework of the prevailing law, without fear of the law and with an understanding of societal rules and the justification for these rules.

Ramos and Varela (2010) isolate "poverty, unemployment, illiteracy, housing, health and lack of sufficient income" as social disadvantages, citing the work of Tsakloglou and Papadopoulos (2001) and Tsakloglou (2003). The authors also cite the view of Bransen et al. (2001), these authors regarding:

> *... a person as vulnerable when he or she a) is not sufficiently capable of providing for their own necessities of life, such as shelter, food, etc. b) has several problems simultaneously (inadequate self-care, social isolation, lack of permanent or stable accommodation, mental health problems, etc.) c) does not, from the viewpoint of care professionals, receive the care and support they need to sustain themselves in society, and d) do not express care needs that readily fit into the mainstream care system, and therefore often experience unsolicited care or interference*. (Ramos and Varela, 2010, online).

These perspectives identify capability as essential for functioning, but also allude to the essential nature of resources, and resource access, that capable individuals require in order to engage with the economic, social and political environments.

4.2.3 Social marginalisation

Deprivation is simultaneously a national phenomenon and one lived at the level of the individual. At national level, the phenomenon is one to be remediated and attended to, by policy intervention and social assistance. Policy intervention seeks to frame a level of support as national intention, infrastructural and resource commitment. Social assistance seeks to implement this support, commencing with national and provincial budget allocation as illustrated in the previous chapter. At the level of the individual, deprivation

must be endured and survived and, with appropriate social assistance, perhaps even conquered. However, reversing the decline is not a straightforward outcome and the most unpleasant prospect for the poor individual is continued decline of living conditions and simultaneous inaccessibility of income generating opportunities.

The European Union accompanies its definition of poverty with a definition of social exclusion:

> *Social exclusion is a process whereby certain individuals are pushed to the edge of society and prevented from participating fully by virtue of their poverty, or lack of basic competencies and lifelong learning opportunities, or as a result of discrimination. This distances them from job, income and education opportunities as well as social and community networks and activities. They have little access to power and decision-making bodies and thus often feeling powerless and unable to take control over the decisions that affect their day to day lives.* (Bodawig and Sethi, 2005, p62).

Bruto da Costa makes reference to diminished "material living conditions…and… psychological, emotional, social and cultural handicaps" (1995, p73). The Poverty Analysis Discussion Group [PAG] identifies social stigmatization associated with social alienation: "disempowerment, isolation, adverse incorporation, discrimination, horizontal inequalities and socially constructed gender, ethnic, social and spatial differences" (2012, p6). The PAG assert that "the last decade of research on the causes of chronic poverty has shown that a key factor in keeping certain categories or social groups in a state of chronic poverty is the operation of power relations" (2012, p6). This view is echoed by Philip (2012) and others.

Badelt (1999), on behalf of the World Bank, suggests a series of dimensions upon which social exclusion can be assessed, remarking that e*xclusion from goods and services* for example, approximates the resource deprivation of poverty definitions, but that the construct should be thought of more broadly to include exclusion from the benchmarks of consumerism with respect to private goods and services, as well as inability to benefit fully from public goods and services. Badelt adds *labour market exclusion* to his assessment, *exclusion from security* and *exclusion from human rights*.

Notably, exclusion from the labour market and from security and from human rights, resonates in the South African context as inability to generate income, whether by deliberate policy-induced exclusion or an absence of job opportunities; insecure livelihood and personal safety; alienation from access to basic services and the justice system.

It is pertinent to emphasise that social alienation does not necessarily manifest only with poverty – women and cultural minorities for example, can experience exclusion, often of a systemic nature, whilst suffering no significant simultaneous material deprivation. The elderly, or physically handicapped, do not

necessarily present as materially deprived but these states can go hand in hand. This understanding is reinforced by Badelt: "It is important to realize that some groups who are often designated as 'vulnerable' (like women. children, disabled, migrants, elderly people, etc.) need not be 'poor' by traditional standards of income or expenditure indicators" (1999, pp7-8).

4.2.4 Resource poverty

There are economic and social aspects to resource poverty. Economic issues arise in the form of consumptive and productive power in the form of the ability to consume and to work and/or produce as a wage earner/self-employed person. Social aspects however, arise as constrained social identity. Bhalla and Lapeyre (1997) reflect on Sen's (1975) view that employment simultaneously represents an income stream, the opportunity to engage in production, and recognition. They remark in respect of this last aspect, that lack of employment:

> *not only denies income and output to those who are excluded; it also fails to recognize their productive role as human beings in a society. In other words, employment provides social legitimacy and social status as well as access to income.* (1997, p419).

Orr's view (2008) of disadvantage, that deprivation arises ultimately from limited capability and functioning, includes longevity, health and nutrition, and social identity issues such as emotional attachment, recognition and social affiliation, as capabilities. Capabilities necessarily operate in conjunction with resources. Control over resources enables choices, regarding employment and self-employment, place of residence, family structures and relationships and more.

Bodawig and Sethi (2002) conflate resources and capabilities in their analysis. Material assets as well as imagination and organisational capacity are simultaneously identified as significant vehicles for social mobility. Table 4-3 summarises these authors' assessment of the resources they identify as fundamental to sustaining wellbeing, based on accounts of the poor. Bodewig and Sethi continue to distinguish key non-income dimensions of poverty as education, employment, health and housing. However, income streams are demonstrated to arise from a requisite minimum threshold of these non-income elements. The notion of a threshold, or required sub-minimum for economic participation, is intimated Ashley and Carney (1999) for example, who isolate five classes of so-called livelihood assets in a conceptual model identifying constraints and opportunities impacting on vulnerable individuals. The authors maintain that the desired outcomes of improved income, food security and wellbeing, together with reduced vulnerability, are achievable only with a sufficiency of owned livelihood assets, leveraged in an environment characterised

by transforming structures and processes – in other words, the enabling policy framework identified in chapter three.

Table 4-3: Assets and capabilities of poor people

Asset or capability	Examples mentioned by poor people
Material assets	Employment; ownership pf productive assets; land; house; boat; savings; jewelry.
Bodily health	Freedom from hunger and disease; strong, healthy-looking bodies.
Bodily integrity	Freedom from violence and abuse; sexual and reproductive choice; freedom of physical movement.
Emotional integrity	Freedom from fear and anxiety; love.
Respect and dignity	Self-respect; self-confidence; dignity.
Social belonging	Belonging to a collective; honour; respect, and trust within and across social groups.
Cultural identity	Living in accordance with one's values; participation in rituals that give meaning; sense of cultural continuity.
Imagination, information and education	Inventiveness; informed and educated decision making; literacy; entrepreneurship; problem solving capacity; expressive arts.
Organizational capacity	Ability to organize and mobilize; participation in representative organizations.
Political representation and accountability	Ability to influence those in power; accountability of those in power.

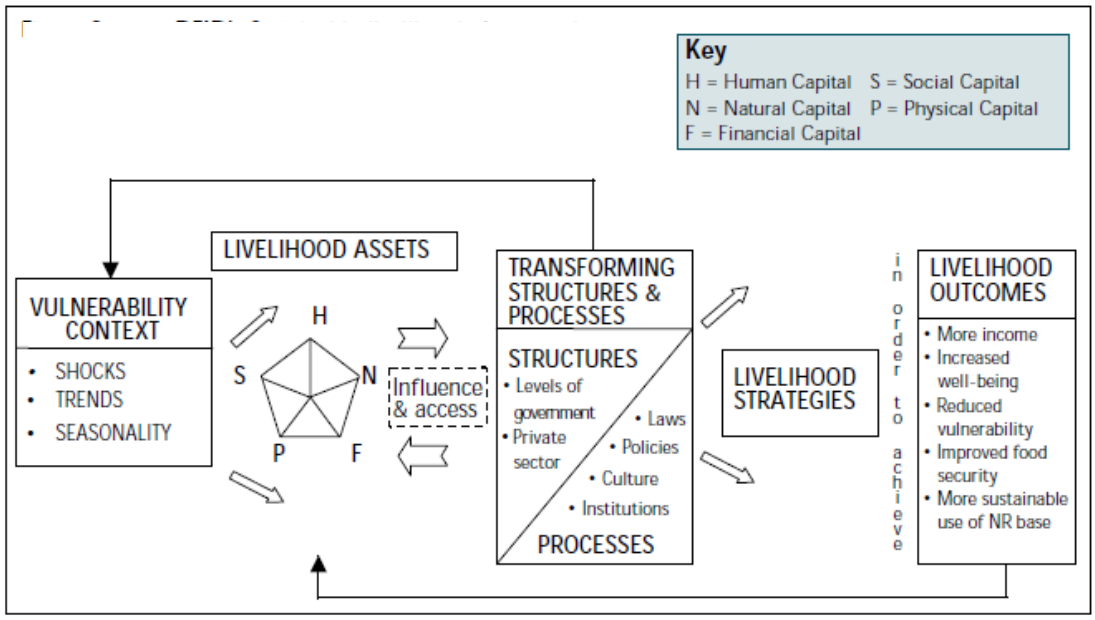
Source: Reproduced from Bodewig and Sethi (2002, p463).

The requisite livelihood assets are identified as human capital, social capital, natural capital, physical capital and financial capital. The authors' rationale is that an insufficiency of assets denies adequate livelihood strategies, adversely impacting on livelihood incomes. The conceptualisation is described by the authors as inexact but providing "a way of thinking about livelihoods that is more representative of a complex, holistic, reality" (Ashley and Carney, 1999, p47). The conceptual model is depicted in figure 4-1.

This conceptualisation proves illuminating when, as cited by Adato et al. (2006), it is exploited by Carter and May (2001) in the application of the latter authors' so called asset poverty line. The asset poverty line distinguishes "the level of assets needed to generate a living standard equal to the poverty line" (Adato et al., 2006, p230). Carter and May's methodology, applied to an analysis of sustained as well as aggravated deprivation in a time series study distinguishing poor households in 1998 from 1993 demonstrates that "over 50 per cent of the households that moved downward between 1993 and 1998 report losses of productive assets (for example, death of a wage earner, or loss of enterprise assets to fire or other disaster)" (Adato et al., 2006, p231). The authors comment that upward mobility is the preserve of "either the lucky

few, or [for] those households who enjoy exceptional access to market or socially-mediated access to capital and other services" (Adato et al., 2006, p246).

Figure 4-1: Conceptualising the leverage of livelihood assets to achieve livelihood outcomes



Source: Reproduced from Ashley and Carney (1999, p47).

Leveraging the classifications and descriptions in this sub-section, table 4-4 frames the key contributing elements of resource poverty. These can be examined in respect of five dimensions: human, productive, natural, financial and social resources respectively. Human capital represents human capability, attributable to disposition, education and training, and physical and mental health and wellbeing. Productive capital emerges as the utilisation of agency and capital: employment and self-employment, giving rise to income sufficiency. Natural capital takes the form of access to land or physical facility, which can be exploited for production and income generation, whether as subsistence farming for example, or manufacturing facility. Financial capital arises as asset ownership (enabling borrowing capacity, facilitated by this asset value) and savings. Finally, social resources are closely related to human resources. Social poverty arises not only as authentic political representation and 'voice', but also the inestimable value arising from positive self-image, an impossible goal where one is not accorded dignity and respect.

Table 4-4: A summary of resource poverty

Dimensions of resource poverty	Key elements of resource poverty
Human	• Capabilities: skills, imagination, organisation skills • Education • Health, vigour, nutrition
Productive	• Income insufficiency • Employment • Enterprise self-employment
Natural	• Land (providing opportunity for production and income)
Financial	• Asset ownership • Owned home • Savings (to weather economic shocks and to enable borrowing)
Social	• Respect and dignity, social affiliation • Cultural identity • Bodily integrity • Political representation • Freedom from oppression

Source: Author, from the material of Ramos and Varela (2010), Bodawig and Sethi (2002), Orr (2008), Adato et al. (2006), Ashley and Carney (1999).

This section has identified the role of resources in avoiding deprivation; but, it simultaneously alludes to the unpleasant persistence of deprivation, where the impoverished do not enjoy a foundation level of resources that enables the prospect of positive social mobility. Adato et al. (2006) reflect whether there may be a "subset of households above the asset poverty line [in 1998] that are on a downward trajectory of de-accumulation such that they would be expected to become poor over the longer term … [and whether there] … is another subset caught in a poverty trap from which upward mobility is not possible" (Adatao et al., 2006, pp. 231-232).

Similarly, Remenyi (2004) describes a sub-set, or stratum of individuals who, while satisfactorily employed or gainfully self-employed, sustain their livelihoods with the ever-present risk of slipping back into poverty because they remain exposed. This group, one he refers to as near-poor, retain a level of vulnerability. This suggests that vulnerability displays a gradation of hardship. If so, then the prospect of a 'one-size-fits-all" social development strategy may be unsound. To the end of clarifying the nature of vulnerability and consequently indulging evaluation of government development policy, the following section examines Remenyi's contestation of a gradation of hardship.

4.3 VULNERABILITY AS A GRADATION OF HARDSHIP

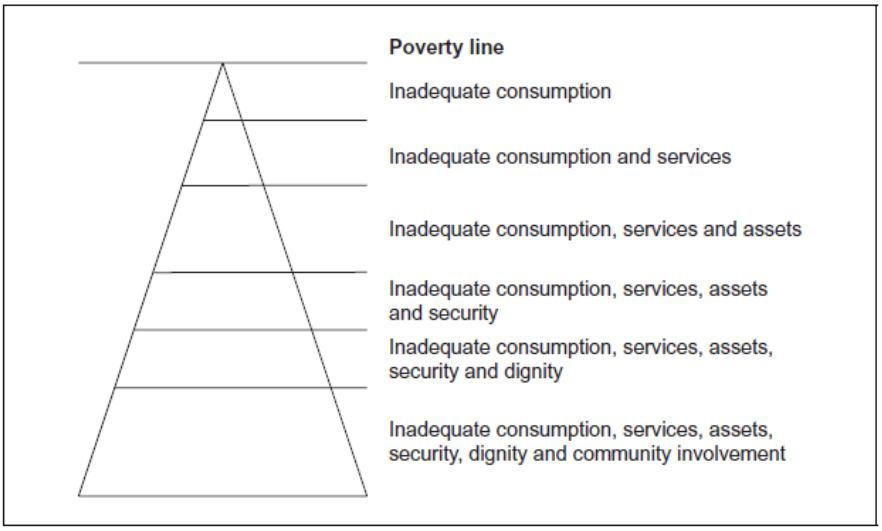
Remenyi (2004, p206) writes:

> *There is a strong tendency in many countries for poverty to be considered a 'welfare' issue, with temporary relief tending to be offered. There will always be certain categories of poor people who can only be regarded as welfare clients, especially the aged, the infirm and, the disabled, the vulnerable, such as small children and pregnant women. These groups of poor are ubiquitous among the chronically poor, in part because it is a fundamental characteristic of their condition that they cannot be expected to achieve self-reliance no matter how determined they are to look after themselves.*

Remenyi's description of people, households and communities as 'poor', can be read as 'deprived' people, households and communities. This is not untoward, because Remenyi embraces the notion of multi-dimensional deprivation, as illustrated in Figure 4-2.

Deprived individuals rely, for their subsistence, on different resources based upon the level of resource access they enjoy. Remenyi advances from his hierarchy of poverty levels, the notion of a gender-representative livelihood pyramid. This is akin to our understanding of population pyramids, recording a range of vulnerable poor to near-poor on the pyramid vertical axis. His interpretation is illustrated for reference in Figure 4-2.

Figure 4-2 Levels of poverty



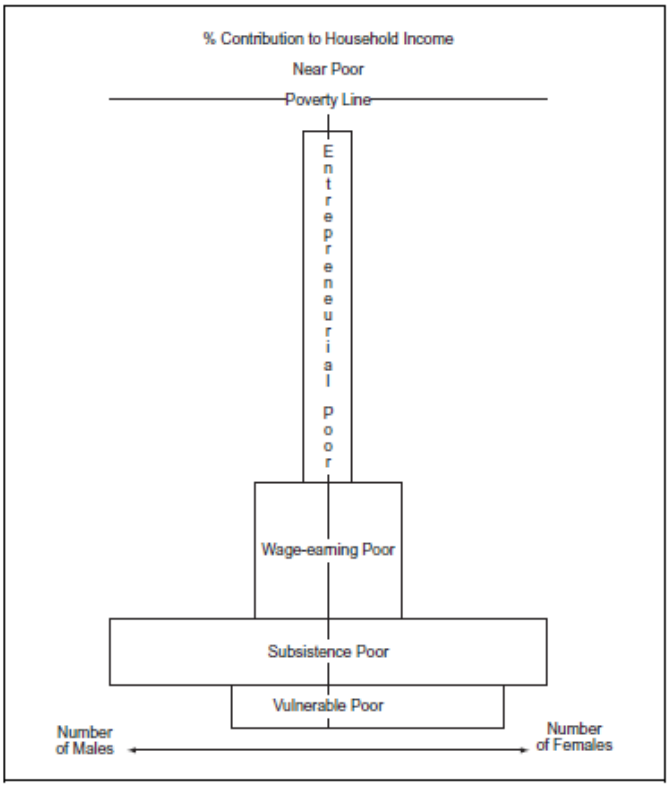
Source: Reproduced from Remenyi (2004, p205).

Remenyi maintains the worst off, the vulnerable poor, will include the individuals and groups implausibly likely to attain any position of resilience. This stratum of so-called vulnerable poor "consists of the children, the infirm, the aged, the disabled, and pregnant mothers" (2004, p207), all of whom are categories of individual incapable of significant contribution to household livelihood.

He adds, "In many developing countries the group immediately above the Vulnerable Poor consists of those villagers whose major source of livelihood is from subsistence agriculture" (2004, p208). This group, whom Remenyi refers to as the 'Subsistence Poor', sustain life for the greater part on subsistence agriculture and pastoral activity, fishing "and annual cash and non-cash income" (p209).

Remenyi's third stratum is one he refers to as 'Wage-earning Poor', a description of "typically landless poor households whose survival is dependent upon the success with which the able-bodied members of the household can sell their labour to an employer" (2004, p209). His fourth stratum is that of the 'Entrepreneurial Poor', usually self-employed "as micro-enterprise operators whose example can be an important source of new sources of income, employment and wealth generation opportunities for households in lower tiers of the poverty pyramid" (2004, p210).

Figure 4-3: Remenyi's livelihood poverty pyramid



Source: Reproduced from Remenyi (2004, p208)

Moreno (2004), applying a similar rationale and leveraging Remenyi's conceptualisation, designates quartiles. He distinguishes a fourth quartile, the poorest of the poor, a third quartile of labouring poor, a second quartile of enterprising self-employed poor and a first quartile of micro-enterprise operators. For both these authors, and generally for that matter in any of the similar but unrelated representations of livelihood hierarchy, wellbeing can be considered to diminish at the subordinate levels. Conversely, beyond the apex of Remenyi's and Moreno's independent but related representations, one finds formal wage earners, the skilled self-employed, salaried professionals and so-called elite decision makers (see Kabeer, 2003). These strata are characterised by the resource access and resilience that counter-poise them to the deprived. Fundamentally, security of income, a level of savings and access to credit and other resources, all of which reduce vulnerability, distinguish these groups from the deprived.

Indeed, Remenyi identifies a fifth stratum of 'Near Poor', a group lying beyond the so-called poverty line which retains a vulnerability "to falling back into the pyramid should misadventure strike" (2004, p210). He maintains:

> *The Near Poor may have achieved levels of productivity well in excess of that associated with lower strata in the pyramid, but experience has shown that sustained poverty reduction demands explicit attention to the economic requirements that will make it possible for the near poor to remain above the poverty line, economic setbacks notwithstanding.* (Remenyi, 2004, p210).

Remenyi announces another caveat, urging us to heed that not only does there exist a diversity in the lived deprivation experience of these different strata, but that "it is also clear that poverty reduction policies that are intended to raise the productivity of the Vulnerable Poor are unlikely to also overcome the key barriers that prevent the Subsistence Poor or the Entrepreneurial Poor from climbing above the poverty line" (2004, p211). This assertion is key to evaluating the DSD's social development stance. Each stratum of individuals, households and communities faces a different constraint-set in their attempts to turn their circumstance around. The bottom strata confront the struggles of survival, while the less vulnerable confront the vagaries of resource sufficiency.

This structural reality must be considered in the assessment, planning, execution and evaluation of government's so-called social development strategy. Were it not, then the prospect of successfully developing resilience beyond ameliorating some of the consequences of vulnerability, would be compromised. In broad terms, the overarching goal remains one of poverty and/or deprivation alleviation. However, where the resilience of differentiated strata of deprived individuals and communities is compromised through notably differentiated circumstances, correcting this lived-deprivation experience must surely demonstrate a matched nuance if it is to be enduringly impactful?

One might expect that addressing survival is a matter of compensating not only for the shortcoming in resource sufficiency and access, but also for the implausibility of Remenyi's 'Vulnerable Poor' exerting self-possessed agency over their lived deprivation circumstance. Unconditional cash transfers can be seen to form the backbone of government's compensatory tactic for this group. Simultaneously, the contracted cohort of civil society organisations as well as other civil society actors operating independently of the state (such as faith based organisations and non-contracted NPOs), offer succour in the form of welfare services provision.

Resource sufficiency, presupposing the necessary physical capacity and self-possessed agency, of Remenyi's subsistence and wage-earning poor, is implausibly addressed through unconditional cash transfer alone. These individuals and groups require championship to facilitate resource access. This translates to advocacy, representation, and protection from abusive and unsafe workplace environments. Similarly, the class of so-called 'enterprising self-employed poor' require market access, assistance in navigating the plethora of regulatory compliance that thwarts micro-entrepreneurs, and access to unsecured micro-credit.

This group demonstrates the required self-possessed agency that overcomes resistance to the perceived risk of self-employment. However, without representation and appropriate resource access, this agency is frequently futile and negatively reinforced through heavy-handed imposition of the coercive power of the state and the large business sector. In the words of the founder of the Grameen Bank, the forerunner of micro-enterprise micro-credit, "these millions of small people with their millions of small pursuits can add up to create the biggest development wonder" (Yunus, 2018, online).

The data analysis undertaken in pursuit of addressing the second problem statement of this research, will reveal whether the dedicated resources purported by government to attend to shortcoming in South Africa's social development, palpably and plausibly do so. However, deprivation, seen to give rise to a comprehensive and debilitating decline in wellbeing, remains to be interrogated to establish a frame of reference by which this research may proceed. The following section undertakes a review of the particularities of deprivation, drawing attention to a selection of literature focusing on the distinction between material and relational marginalisation of the deprived as well as the indicators that illuminate a state of ill-being.

4.4 THE PARTICULARITIES OF DEPRIVATION

The preceding sections identify the association of poverty and deprivation, emphasising the inadequacy of the traditional interpretation of poverty as income paucity. Deprivation is seen to constitute multiple disadvantages and, inevitably accompanying poverty, a degree of social exclusion. Social exclusion limits societal functioning and there appears to be unfortunate prospect of unavoidable stasis and for some, inexorable decline in wellbeing. This section interrogates the prevailing understanding of the variables and indicators of poverty and social exclusion, seen to particularise deprivation.

4.4.1 Distributional and relational antecedents of deprivation

Recognising poverty and exclusion as the foundations of deprivation, it is illuminating to note that social exclusion is a conceptualisation recognised in the literature only from the 1970s. The term is considered to have originated in France, where prevailing British conceptualisation of poverty was rejected in favour of recognising a more complete social disadvantage: "not only the poor, but also handicapped, suicidal and aged people, abused children, substance abusers" (de Haan, 2000, p23). Dating back to 1974 and the publication of *Les Exclus: Un Francais sur dix,* social exclusion was defined as a "rupture of social bonds" (de Haan, 2000, p25) "and more broadly ... as the process through which individuals or groups are wholly or partially excluded from full participation in the society within which they live" (de Haan, 2000, p26).

Bhalla and Lapeyre (1997) cite Townsend (1993), who distinguished material deprivation from social deprivation, favouring the observation of a lack of resources as distinct from a lack of social inclusion. However, this does not interpret as a nominal distinction: Bhalla and Lapeyre emphasise that "social problems associated with exclusion (viz, infant mortality, education, literacy and so on) are partly income determined" (1997, p417). The authors do not dispute Room's (1995) argument that a lack of resources translates to issues of distribution, while a lack of social ties translates to issues of relationships. However, they contend that "adequate levels of income are a necessary though not a sufficient means of ensuring access of people to basic human needs" (1997, p417). The authors assert that social exclusion impacts on access to social services (the benefits of the social wage in the form of health and education), labour market access (arising as precariousness of employment) and opportunity for social participation (with concomitant deleterious impact on issues such as crime, delinquency, and homelessness). They add that social participation is tantamount to the practice of one's citizenship, and that an inability to participate fully in the functioning of a society is a denial of citizenship.

4.4.1.1 The involuntary nature of impoverishing social exclusion

While citizenship is recognised constitutionally, the right to practice that citizenship (through participation) is actually the singularly defining feature. Social exclusion introduces an involuntary alienation from participation. Citing Burchardt, Le Grand and Piachaud (1999), Barry (2002) registers that:

> *An individual is socially excluded if a) he or she is geographically resident in a society but b) for reasons beyond his or her control, he or she cannot participate in the normal activities of citizens in that society and c) he or she would like to so participate.* (Barry, 2002, pp14-15).

Involuntary social exclusion is distinct from self-exclusion, or exclusion for valid societal reasons such as prison sentencing of convicts. Barry notes that exclusion is not absolute: someone marginalised from mainstream society does not fall below an 'exclusion line'; rather, they are more or less marginalised than fellow citizens in that society. Barry continues to emphasise that "individuals or groups are socially excluded if they are denied the opportunity of participation, whether they actually desire to participate or not" (2002, p16).

Social exclusion is deliberately sought by some. A social recluse for example, is not necessarily deprived, because they have sought through choice to alienate themselves from mainstream society. However, voluntary social exclusion is not tantamount to sociopathic reclusiveness. Barry points out that "the very rich have the opportunity to exclude themselves from common institutions … their wealth enables them to erect barriers that keep out their fellow citizens" (2002, p16). In other words, the self-alienation of the wealthy from the poor is an exercise of choice, fuelled by relative wealth. Barry observes the existence of two thresholds. The first arises through income prosperity, the second through income poverty. The latter threshold removes access to opportunity from the poorest, for it denies them access to the social wage enjoyed in the form of policing (as may be expected to be experienced in middle-income neighbourhoods), education (poor institutional availability and quality in the poorest neighbourhoods), and health (the poorest are unable to meet the threshold eligibility for access to public health services). The wealthy are, conversely, able to employ private security providers, private education providers and private health care providers. In each case, the self-alienation by those possessed of economic and social resources, is an exercise of choice enabled through economic advantage.

4.4.1.2 Inequality and social exclusion

Acknowledging Bhalla and Lapeyre's (1997) caveat that distributional issues and relational issues are interwoven, there remains relevance in differentiating material poverty from relational poverty. Room (1995) maintains that:

> *The notion of poverty is primarily focused upon distributional issues: the lack of resources at the disposal of an individual or household. In contrast, notions such as social exclusion focus primarily on relational issues, in other words, inadequate social participation, lack of social integration and lack of power.* (1995, p5).

Perhaps then, it is appropriate to distinguish social exclusion from economic exclusion. The latter term represents an alternate nomenclature to material poverty, while simultaneously aligning with the marginalisation theme that characterises social exclusion. Marginalisation is the central narrative of South Africa's pre-democratic past. Social exclusion was practiced legislatively, the earliest example thereof being the 1913 Land Act which "linked the politics and economics of land and labour – and, in the process, of spatial and economic development – in ways that have shaped South African society and its economy in profound ways ever since" (Philip, 2010, pp 5-6). Philip alludes to structural inequality, a phenomenon she identifies as rooted in the legacies of apartheid, including issues such as the skewed distribution of land and capital and unequal human development:

> *The combined effect of these different forms of structural inequality is to create and maintain deep levels of economic marginalisation that lock people into poverty, with each of these dimensions compounding the impacts of the next*. (Philip, 2010, p4).

An ostensibly pro-poor government stance notwithstanding, Philip (2012) maintains that the enduring structural determinants of inequality will constrain the likelihood of the poor escaping poverty. Among the reasons she cites are the decline of subsistence agriculture, precluded access to supply chains and external markets and, in the face of the vertical market control characteristic of the economy, the implausible transition and growth of small scale manufacturers into more substantial operators. She adds:

> *For people who are willing and able to work but unable to find any … this large sector of the population has little choice but to depend on "goodwill" transfers from others; from people who are employed or have access to social grants. The social dimensions of such economic dependence make this doubly disempowering. This disempowerment has its own sets of negative social consequences.* (Philip, 2010, p21).

Philip asserts that inequality induces involuntary exclusion, maintaining and aggravating this status quo. Similarly, Barry (2002) points out that social exclusion sustains inequality, because social marginalisation will inevitably give rise to a disparity in educational and occupational opportunities. Suppression of opportunity reduces educational motivation, in turn reducing educational attainment and consequently containing limited occupational opportunities. Ramos and Varela draw attention to the decline in social

and economic participation, evidencing as unstable living conditions, limited or absent support from family and community, and a decline in working habits, terminating ultimately in a state characterised of being "almost permanently unoccupied; and substantial or total loss of working habits, self-care or motivation for inclusion" (2010, p7).

Thus far it is established that deprivation is characterised by a dearth of opportunity, an absence of the luxury of choice, and a frequently systemically imposed restriction in social participation. It is evident that exclusion, both economic and social, marginalises the excluded, exacerbating inequality beyond that which can be explained away as reward for individual human agency. It remains to establish the indicators by which the scope and extent of the state of deprivation suffered by the excluded may be identified and assessed.

4.4.2 Variables by which the incidence of deprivation is confirmed

If the notion that deprivation is relative is embraced, perhaps there is limited merit in assessing absolute poverty. Similarly, if deprivation is experienced as a lived phenomenon then it may well be that at the level of individual, someone who is assessed by a researcher's metric as relatively more deprived than another disadvantaged individual, may report a higher state of wellbeing than the supposedly less deprived counterpart. However, it remains feasible to report aggregated impoverishment at the level of community, and in so doing report relative deprivation based on singular elements such as income, educational attainment, employment, services and infrastructure, as well as overall instrumental relative wellbeing. This facilitates ranking, enabling assiduous social welfare policy determination and implementation at government and institutional level. It also enables examination of the primary thesis of this research: that relative spatial deprivation of the KZN provincial population bears a relationship to the intensity of NPO dispersion and hence state-funded, NPO-delivered social welfare provision.

The National Planning Commission (NPC) articulates in its National Development Plan vision for South Africa that:

> *Statistical indicators paint a disturbing picture of rising violence, increasing numbers of low-income households and other social determinants requiring urgent attention. Among these social concerns are heightened levels of addiction, increasing criminality among young people, high levels of gang-related violence in schools and communities, and sexual violence against children and women, especially in economically deprived areas. Demographic trends and human development indicators point to a country with significant levels of social fragmentation, unacceptable levels of social alienation and the breakdown of social institutions. In the absence of*

> *fully functioning families, households, communities and neighbourhoods, social welfare institutions in most countries step in to provide services to improve social functioning and integration.*
>
> *The combination of poor and inadequate state social welfare services and high levels of poverty and inequality produces social problems and high-risk behaviour that undermines human development and social cohesion. High levels of domestic violence are often amplified by poverty and unemployment. Alcohol abuse is another factor that is both a cause and manifestation of stresses in households and communities. Poor social services and ineffective policing reinforce the sense of powerlessness in poor communities. Poor-quality education limits social mobility, further straining basic social relations that many societies take for granted. The impact of youth unemployment and HIV/AIDS has worsened matters.* (NPC, pp336-337).

The specification of each of the factors in this extract suggests that these are variables by which wellbeing of the country's citizens is evidently being assessed by government. These indicators are not unique to South Africa. Bodawig and Sethi (2005) report similar indicators of deprivation: hunger weakness, poor health and physical hardship, persistent deprivation, hopelessness and helplessness, an inability to accumulate assets, a lack of assets, vulnerability to crisis, insecure livelihoods, crime, violence, and police harassment.

The variables highlighted thus far in the chapter, originating from the selection of authors, is catalogued, according to the classifications recorded in sub section 4.2 supra, in table 4-5. The table illustrates that there is a degree of accord, as may be expected, in indicative variables of deprivation in the fullest sense and, simultaneously, that there is no universal standard or specification of indicators. Tellingly, the South African government has devised a compendium of National Development Indicators. These indicators and their subsets are component of the Government-Wide Monitoring and Evaluation System (GWM&E System), approved in 2005 by South African Cabinet for development and implementation (Bosch, 2011):

> *The implementation of the Government-Wide Monitoring and Evaluation (GWM&E) System is in its initial stages and will be built up over time based on extensive and consistent participation by all the stakeholders with the aim to contribute to improved governance and enhance the effectiveness of public sector organisations and institutions.* (StatsSA, 2005, p4).

Table 4-5: Dimensions and indicators of wellbeing, by authors referenced in this chapter

Classification conceptualised or cited by:	Classification dimensions
Bruto da Costa (1995)	• Diminished material living conditions, psychological, emotional, social and cultural handicaps
Poverty Analysis Discussion Group (2012)	• Disempowerment, isolation, adverse incorporation, discrimination, horizontal inequalities and socially constructed gender, ethnic, social and spatial differences
Ashley and Carney (1999)	• Income insufficiency, reported wellbeing, vulnerability, food security
Orr (2008)	• Consumption, production, political engagement, social interaction
Ramos and Varela (2010)	• Income insufficiency, social isolation, health and self-care
Bodawig and Sethi (2005)	• Education poverty, housing and citizenship rights, health, housing conditions, employment.
Badelt (1999)	• Exclusion from goods and services, labour market exclusion, exclusion from security, exclusion from human rights.
Devereux and Sabates-Wheeler (2004)	• Socially vulnerable individuals and groups, economically at risk individuals and groups, chronically poor.

Source: Author.

Conventionally, the GWM&E System can be understood as a performance management system. The intricacy and detail of the government's metrics dashboard illustrates a complexity that necessitates specialisation and distributed accountability. Five specialised areas of accountability called clusters, are isolated, each embracing ownership of indicators relevant to the cluster (StatsSA, 2005):

a) Governance and administration cluster
b) Economic cluster
c) Social cluster
d) Justice, Crime Prevention and Security cluster
e) The International Relations Peace and Safety cluster

Government recognises "three data terrains underpinning the GWM&E system" (The Presidency, 2007, p7) being social, economic and demographic statistics. Pertinent to deprivation measurement, a selection of development indicators germane to poverty and exclusion are summarised for elucidation in table 4-6.

Table 4-6 : Poverty and exclusion development indicators

Dimension	Indicator
Employment / unemployment rates	• Percentage change of the labour force • Employment rate • Unemployment rate • Female unemployment rate
Health	• Dependency ratio • Life expectancy • Infant mortality • Immunisation rate • Under-five mortality rate • Access to ante-natal care • TB prevalence rate • HIV/AIDS prevalence rate • Access to antiretroviral treatment • Number of orphaned children • Malaria prevalence and death rate
Food security and nutrition	• Proportion of the population below minimum level of dietary energy consumption • Kwashiorkor prevalence rate • Stunting rate • Malnutrition
Social cohesion and social capital	• Social groups and networks membership • Collective action and cooperation • Participation in community structures, volunteerism.
Human resource development	• Pre-primary, Primary, Secondary, Tertiary participation rates • Learner-educator ratios • Gender equity in education • Matric pass rate
Housing	• Percentage of households in informal/formal dwellings • Homeless population percentage • Proportion of population with access to improved water source • Proportion of population with access to improved sanitation • Proportion of population with access to electricity • Proportion of households with secure tenure (owned or rented) • Proportion of population with access to improved water source

Source: Author, adapted from National Development Indicators (StatsSA, 2005).

The Statistician-General reflected in workshop in 2005, that "that which was being measured is people's needs and abilities, on the one hand, and resources on the other" (StatsSA, 2005, p3). However, deriving conclusive and accurate assessment of the state of national wellbeing is not straightforward, challenges being noted as "unavailability of data to populate the indicators; difficulty in finding the relevant people within the departments to supply data; determining credibility of the information collected; and insufficient capacity" (StatsSA, 2005, p8).

Notwithstanding the identified difficulties, a policy framework for the GWM&E System was published in late 2007 (The Presidency, 2007). Commenting in late 2011, the Chief Director of Monitoring and Evaluation in the Department of Public Service and Administration reported that:

The policy framework for the GWM&E System was approved in 2007 and provides much needed clarity about the scope and purpose of the GWM&E System. The establishment of the Ministry for Performance, Monitoring and Evaluation in the Presidency following the 2009 general elections, has catapulted M&E to greater prominence. The National Planning Commission was also established in 2009. (Bosch, 2011, online).

Acknowledging the importance of the principle of monitoring and evaluation, as well as the operationalisation of monitoring and evaluation through the use of indicators, it remains to examine the principles of deprivation measurement. This is undertaken in the next section.

4.5 MEASURING DEPRIVATION

Poverty measurement dates back to the late 19th century and the work of Rowntree (Sen, 1976; Ravallion, 1998; Kanbur and Squire, 1999). This earliest known poverty measurement computed a monetary sum contemplated to be adequate to maintain existence. Since then, poverty has been conventionally measured in terms of poverty lines, being the establishment of an income quantum calculated to represent the minimum sum required to sustain life. According to Sen, this "involves the choice of a criterion of poverty (e.g., the selection of a "poverty line" in terms of real income per head), and then ascertaining those who satisfy that criterion (e.g., fall below the "poverty line") and those who do not" (1976, p219). Sen (1976) considered the establishment of poverty lines to be central to distinguishing the poor; he also maintained that the practice of this distinction, achieved as a "very crude index" (p219) of head-count proportion, was "completely insensitive to the distribution of income among the poor" (p219).

This early expression, foregrounding the development that was to follow in our conceptualisation of poverty, disadvantage and deprivation in the ensuing years, is echoed contemporaneously by Budlender et al. (2015). These authors cite Sen (1983), recording his insistent criticism that "the use of these types of lines are likely to introduce distortions and perverse incentives" (Budlender et al., 2015, p4). However, these authors also add that:

> *While remaining cognisant of the theoretical criticisms of these kinds of lines, the necessity of poverty lines for much empirical work is indisputable, and as Woolard and Leibbrandt (2006: 18) point out, "one frequently needs to draw the line somewhere.* (Budlender et al., 2015, p2).

Ultimately, poverty lines lend a practical value for distinguishing the quantum of aggregated poverty for policy and planning purposes. However, the availability of alternative methodologies and utilities deserves appraisal and the following sub-sections will undertake, in turn, a review of dominating or prevailing points of view regarding poverty lines, multidimensional approaches and indices of deprivation measurement, concluding with an assessment of the conventions and principles that can be applied to achieve a measure of deprivation as attempted by this study.

4.5.1 Poverty lines and poverty measurement

Simply put, a poverty line is a cut off between individuals and household considered poor, relative to those who are not. Ravallion (1998) highlights a distinction between objective and subjective poverty lines. He points out that the opponents of the notion of objective poverty lines argue that "the circumstances of the individual relative to others in some reference group influences perceptions of well-being at any given level of command over commodities" (1998, p21). This view suggests that no objective classification of necessities and luxuries can be undertaken and that the exercise of consumptive choice must be factored into the empirical implementation of poverty assessment. There is clearly practical difficulty in undertaking this, especially where both class and race inequality bedevil the social landscape, as in South Africa – Ravallion adds that "attempts to anchor the poverty line to perceptions of welfare have been relatively rare in developing countries" (1998, p30).

In South Africa, formal use of poverty lines is reported by Budlender et al. (2015) to have commenced in 1942. The Batson's Poverty Datum Line incorporated classes of personal expenditure considered normatively by Batson, the originator, to be essential for short-term health and dignity:

a) food
b) clothing
c) fuel and lighting
d) washing and cleaning
e) rent
f) transport

This approach is termed a cost-of-basic-needs method, distinct from the derivation of cut-offs based on calorific uptake - a food-energy-intake methodological approach. According to Ravallion the cost-of-basic-needs has been used "in enumerable studies for both developed and developing countries" (1998, p15).

In South Africa, commensurate with the transition to democracy, a basket of indicators was constructed by the government, in conjunction with the World Bank (Budlender et al. 2015). This compendium included several poverty lines. Budlender et al. report that:

> *Poverty lines based on the expenditure required for caloric intake of 2000 and 2500 kilocalories per day were developed, as were cut-off poverty lines set at the 40th and 20th percentile of households ranked by adult equivalent expenditure. When choosing which line should be used for their poverty analysis, the authors chose the line that defined the poorest 40% of households as poor, which resulted in 52.8% of individuals being classified as poor. To define the "ultra-poor" they chose the equivalent cut-off at the poorest 20% of households, leading to 28.8% of individuals being classified as "ultra-poor".* (2015, p3).

The use of this basket of indicators appears to have blurred the adoption of a single, official South African Poverty line because only in 2005 was an initiative "launched by which an official poverty line would be developed" (Budlender et al., 2015, p3). Poverty lines followed in 2006, 2007, 2008 and most recently in 2015, the latter poverty line representing a rebasing of the 2008 lines. The originators of this insight, Budlender et al., interpret that:

> *There has however been some energetic criticism of the methodology of the 2015 Stats SA lines, even in the popular press. While the 2008 Stats SA set of lines is no longer applicable, both the Hoogeveen and Özler and 2015 Stats SA lines are seen as plausible poverty thresholds, and researchers have insufficient evidence available to choose one over the other.* (2015, p5).

The telling illustration of the imprecision of determining consumption thresholds is found in the contradictory evidence of the government, and independent researchers. StatsSA publish three cut-offs for 2011, in which three poverty lines - a food poverty line, and lower bound and upper bound line - are specified. These cut-offs, in 2011 South African Rands, are R321, R443 and R620 respectively (StatsSA, 2014, p8). The food poverty line represents the sum required in 2011 Rands to acquire sufficient nutrition to sustain the life of an average person. The lower bound poverty line represents consumption of non-food items, but is anticipated to require food sacrifice. The upper bound poverty line represents the procurement of adequate volumes of both food and non-food items.

Propositioning an alternative approach, Budlender et al. (2015, p2) "propose R1042 per person per month and R327 per person per month as the poverty and extreme poverty thresholds respectively" in South African Rands as the contradictory evidence of what a poor South African requires to survive on a monthly basis. These authors also calculate a cost-of-basic-needs poverty line of R1 319 per person per month.

Overlooking for the time being the differences, the seemingly indeterminate nature of where to draw an income or cost-of-basic needs poverty line can distract from the fundamental questions to which poverty assessment is applied. These questions are a determination of how to address the scope and extent of poverty, where to do so and with what policy and practice. Accordingly, government is able to demonstrate that, holding its methodological approach constant, that the scope and extent of South African poverty has declined. Table 4-7 illustrates poverty headcounts over a period of six years and is reproduced from the publication of poverty trends by StatsSA.

Finn (2015), however, calculates that the country's poorest households would need to elevate per capita income to R4 125 if the poorest households were to rise above the poverty threshold.

Table 4-7: Poverty headcounts in 2006, 2009 and 2011

Poverty headcounts	2006	2009	2011
Percentage of the population that is poor	*57.2%*	*56.8%*	*45.5%*
Number of poor persons (millions)	27.1	27.8	23.0
Percentage of the population living in extreme poverty	*26.6%*	*32.4%*	*20.2%*
Number of extremely poor persons (millions)	12.6	15.8	10.2

Source: StatsSA, (2014, p12)

Further complicating this analysis is the distinction in the cost of living experienced in different jurisdictions, when a basket of necessities is compiled. "Money metrics of poverty are useful but do not give us the whole picture because a) poverty is multidimensional and b) the correlation of straightforward material well-being with levels of cash consumption or income is complex"(Poverty Analysis Discussion Group, 2012, p5). The authors point out that the urban poor may have to budget for increased rent and transport costs compared to rural poor, for example. Hence the notion of a poverty line, while illustrative, fails to account for regional or national differences where locales demonstrate distinctive costs of living.

Searching for a metric that is both accessible and acceptable as a methodological approach, Kanbur and Squire report that:

> *A recent survey of poverty concludes that the generally preferred indicator of household living standards is a suitably comprehensive measure of current consumption, given by a price-weighted aggregate over all marketed commodities consumed by the household from all sources (purchases, gifts, and own production). This carefully worded statement summarizes well the conventional view on measuring poverty.* (Kanbur and Squire, 1999, p10).

Kanbur and Squire add that "most analysts recommend the inclusion of social indicators in arriving at an overall assessment of living standards" (1999, p10). This discussion therefore turns to the emphasised distinction, being the consideration of social indicators in addition to income and consumption indicators.

4.5.2 Multi-dimensional deprivation measurement

According to Kanbur and Squire consumption can indicate a degree of power, exercised as consumptive choice, but access to public goods is also a feature of disadvantage and hence should be included in indices of poverty. Public goods contribute to factors such as life expectancy, nutrition, child mortality and the extent of school enrolment; while income can be treated as an input to wellbeing, it is not an absolute account of welfare. These authors point out that as long ago as 1980, coinciding with World Bank commissioned research into poverty, focus had begun to turn to the multi-dimensionality of the poverty condition. While income is a necessary requirement for exercising choice over the scope and quantum of consumption, outcomes are more important than inputs. In other words, wellbeing can be better "revealed by nutritional status, educational attainment, and health status" (Kanbur and Squire, 1999, p10).

Bhalla and Lapeyre comment that "there is a strong tendency to construct indexes where several factors are weighted together. In the case of social exclusion, the preparation of a composite index calls for a choice of appropriate weights for economic, social and political components" (1997, p424). The authors criticise this approach claiming that indicators may not be "moving in the same direction [and] moreover, the weights attached to different indicators will vary according to the different stages of development in different countries" (1997, p424).

Stressing that separate indicators offer better opportunity for comparison, Bhalla and Lapeyre suggest income poverty measures of depth of poverty and income inequality, and social exclusion indicators of access to public goods and services, access to the labour market and of social participation. They maintain that social participation incorporates membership of associational structures, as well as indicators of "declining social fabric or fragmentation of society (e.g. crime and delinquency rates)" (1997, pp. 425-426).

Citing Anand and Sen (1993), Bhalla and Lapeyre (1997) suggest that higher income, developed countries, may be more usefully assessed with indicators focusing on relational aspects while less developed and lower income countries would do well to measure deprivation with a focus on distributional aspects. In the intervening period, this view has been substantially contradicted; the literature illustrates that relational aspects are a consequence of distributional inequality, and hence economic marginalisation and social marginalisation must be taken into account.

Narayan and Petesch, in an exhaustive cross-country study of the poor, reflect that four themes emerge; the authors distinguish:

> *... the importance of an array of assets and capabilities in poor people's lives; the often adverse impacts of economy-wide shocks and policy changes on poor people and their communities; the culture of inequality and exclusion in mediating institutions; widespread gender inequity and vulnerability of children.* (Narayan and Petesch, 2002, p461).

The study methodology employed both economic and social exclusion indicators. These are presented for expedience in table 4-8.

Table 4-8: Narayan and Petesch dimensions of exclusion

Exclusion dimension	Indicators used
Growth, poverty and inequality	• GDP • Population growth • Population below national poverty line • Gini index of income inequality
Social indicators	• Life expectancy at birth • Infant mortality • Literacy rates of youth (aged 15 – 24 years) for both genders

Source: Author, from the material of Narayan and Petesch (2002).

The overlap, if not consensus of variables and indicators has been noted (see sub-section 4.3.2 supra) but there remains no standard for deprivation measurement. While Narayan and Petesch record the results of a study representing "an unprecedented effort to gather the views, experiences, and aspirations of more than 60,000 poor men and women from sixty countries" (2002, viii), inter-country comparison is not easily undertaken when surveys of economic and social wellbeing are undertaken by distinct agencies, in distinct jurisdictions.

4.5.3 The use of indices in deprivation measurement

If the multi-dimensionality of poverty is embraced, and hence the isolation of factors giving rise to a state of deprivation relative to others, any number of indices can be constructed. The United Nations Development Program for example, embarked on the construction of a Human Development Index (HDI), of which a Human Poverty Index (HPI) formed part (Kanbur and Squire, 1999).

The HPI was used in the United Nations Development Program (UNDP) Human Development Reports from 1997 to 2009 and is considered by the UNDP to have been "pioneering in its day" (United Nations Development Program [UNDP], n.d.). The HPI illustrated aggregate deprivations in health, education, and standard of living but "It could not identify specific individuals, households or larger groups of people as jointly deprived" (UNDP, n.d.). The health component was measured in terms of mortality, specifically the number of people in a measured household who had died before age 40. Education was measured in terms of adult literacy levels and "living standard by a combination of the percentage of the population with access to health services, the percentage of the population with access to safe water, and the percentage of malnourished children under five" (Kanbur and Squire, 1999, pp10-11).

The HPI was subjected to revision and redevelopment by the UNDP, emerging as the Multidimensional Poverty Index (MPI), a "composite index that combined national estimates of deprivations in health, education and standard of living into a single number" (Kovačević, 2015, online). There are ten equally weighted indicators; Kovačević proposes::

> *Dimensions and indicators within dimensions are weighted equally. A household and its members are classified as poor if they suffer overlapping deprivations in at least 33 percent of the weighted indicators. The MPI first identifies and counts the poor. Then it estimates the average depth of deprivation among those identified as poor. The national level of the MPI is conceived as a product of these two measures—the headcount ratio and the intensity of deprivations … the MPI can help the effective allocation of resources by making possible to target those with the greatest intensity of poverty; it can also help monitor impacts of policy intervention.* (Kovačević, 2015, online).

Table 4-9 illustrates the three dimensions and the ten indicators. There is a contextual parameter incorporated into the MPI. Where household surveys are conducted in rural areas, for example, "ownership of arable lands and livestock [is added] into the living standard dimension" (Kovačević, 2015, online). Similarly, the presence of a stunted child in a household will rate a nutrition indicator score, the rationale being that "That child will never learn, nor earn, as much as he or she could have if properly nourished in early life" (Kovačević, 2015, online).

On the face of it, the MPI is an attractive tool for its composition addresses a multiplicity of factors, rationally selected to demonstrate adversity and privation. However, as Ravallion (2011) points out, there is no benchmark by which education can be rated as more, equal or less important than health, say, to wellbeing. He also comments that the index does not address a sufficiency of non-income dimensions, such as personal security, domestic violence, social violence, conflict and intra-household dynamics, all established as contributing to hardship.

Table 4-9: Multidimensional Poverty Index dimensions and indicators

Dimension	Indicators
Health	1. nutrition 2. child mortality
Education	3. school attendance 4. school attainment
Living standards	5. access to clean drinking water 6. sanitation 7. electricity 8. cooking fuel 9. type of floor 10. assets

Source: Author's compilation from Kovacevic (2015, online).

However, as Kanbur and Squire distinguish: "While information on each aspect is valuable, aggregation into a single index raises a host of serious issues. Apart from the loss of policy-relevant information, aggregation requires the arbitrary selection of weights, a feature subject to considerable criticism in the literature" (Kanbur and Squire, 1999, p11).

Ravallion raises a defence; he points out that the neglect of items in multidimensional surveys of deprivation is pragmatic, given that the data collected for any survey of household hardship must be uniformly collected and collated and that "In practice, the choice of dimensions for measuring poverty will naturally be constrained by the data" (Ravallion, 2011, p6). Hence while there exists undeniably a sacrifice in terms of addressing all of the dimensions of poverty, multidimensional indices of poverty provide "some idea of the joint distribution of the multiple dimensions of poverty – to what extent the different dimensions of poverty that can be identified are shared by the same people" (Ravallion, 2011, p6).

Ravallion also observes, in critique of the multidimensional index of poverty developed by Alkire and Foster (2009) that:

> *Here the ambition to be "multidimensional" is in such marked tension with the need to obtain all dimensions for each surveyed household that one must question what role such an index can usefully play. Arguably it would be better to derive the best measure possible for each of a logically defensible set of grouped dimensions—such as "income poverty," "health poverty" and "education poverty".* (Ravallion, 2011, p8).

Alkire and Foster predict this criticism and remark that "there may be good arguments for using general weights. Indeed, the choice of dimensional weights may be seen as a value judgement which should be

open to public debate and scrutiny" (2009, p15). The authors defend their position quoting Foster and Sen (1997):

> *It is not so much a question of holding a referendum on the values to be used, but the need to make sure that the weights – or ranges of weights – used remain open to criticism and chastisement, and nevertheless enjoy reasonable public acceptance*. (Alkire and Foster, 2009, p15).

Thus far, it is evidenced that agreement if not consensus is easily reached regarding the inclusion of both material and relational indicators of poverty, in deriving a measure of deprivation. Less straightforward is agreement on exactly what should be measured and how. Clearly, in-country inter-regional comparison is possible when agencies – such as StatsSA or SALDRU – undertake national, provincial and sectoral surveys. For the purpose of this study, in particular the first phase, data is sought that facilitates the construction of a deprivation index, enabling the ranking of relative ill-being across the eleven districts of the KZN province.

The first phase of this study plots KZN provincial welfare-NPO geographic dispersion against a profile of provincial deprivation, ranked by municipal district. The population census provides broad data across provinces and municipal districts and is not fit in raw state to be subjected to correlational analysis. This data requires manipulation to derive an index of deprivation, establishing an ordinal data set suitable for analysis.

Determination of a suitable index immediately dismisses the basic analysis provided by poverty lines and the study leans towards the alternatives based on multiple factors of deprivation. While Posel (2014) and others (Posel and Casale, 2014; Posel and Hinks, 2013; Posel and Casale, 2011) suggest that self-reported well-being serves as an indicator of relative deprivation, Noble, Zembe and Wright (2014) not only conclude that deprivation remains concentrated in what were formerly known as 'homelands', but that this deprivation is similar for income-based poverty measures, as well as multiple-factor poverty measures. The Multidimensional Poverty Index (MPI) and the South African Index of Multiple Deprivation (SAIMD) represent two examples of deprivation indices successfully employed in South Africa, with a unifying rationale that can be exploited to design a suitable device for this study.

The available raw data is a determining factor in designing a tool to gauge deprivation. Two examples of deprivation indices demonstrate that their underlying rationale can be exploited to design a suitable device for this study. Both devices have been used in South Africa and both follow a similar rationale. Multidimensional Poverty Index (MPI) and the South African Index of Multiple Deprivation (SAIMD) are discussed in the following sub-sections.

4.5.4 The Multidimensional Poverty Index

The MPI introduced by Alkire and Foster in 2009 "identifies each person as deprived or not deprived using any available information for household members. The MPI then aggregates across all poor people. This approach is followed in large part because of data constraints, and in part because it has a clear logic" (Alkire et al., 2011, p3).

Three dimensions encompassing ten equally weighted indicators with cut-offs selected to indicate deprivation configure the MPI. Alkire and Santos (2010) espouse the validity and robustness of the instrument. Alkire et al. (2011) reflect that the choice of indicators was governed by the availability of data for a large, 100 country comparative study. The most recent form of the MPI is illustrated in table 4-10.

Table 4-10: The dimensions, indicators and deprivation thresholds of the MPI

Dimension	Indicator	Application of threshold
Education	1. Years of schooling 2. Child school attendance	• No household member has completed five years of schooling. • Any school-aged child is not attending school up to class 8.
Health	3. Child mortality 4. Nutrition	• Any child has died in the family. • Any child or family for whom there is nutritional information is malnourished.
Living Standard	5. Electricity 6. Improved sanitation 7. Safe drinking water 8. Flooring 9. Cooking fuel 10. Asset ownership	• The household has no electricity. • There is no improved sanitation, or the sanitation is shared with other households. • The household does not have access to safe drinking water or must make a round trip of 30 minutes+ to collect water. • The household has a dirt, sand, or dung floor. • The household cooks with dung, wood or charcoal. • The household does not own more than one radio, TV, telephone, bike, motorbike or refrigerator and does not own a car or truck.

Source: adapted from Alkire et al. (2011, p4).

The interpretation is that the selection of variables is simultaneously a function of data availability, and data representivity. It is apparent that the selection of several dimensions and indicators smooths the influence of unusual and extraordinary phenomena that might skew aggregated data in a meagre selection of indicators. Alkire and Foster (2011) also note that their methodology specifically aggregates dimensions

as a final step in discerning ordinal deprivation, ruling out the prospect of variations in an indicator declaring individuals non-poor, as could occur if each dimension were aggregated and then summed.

Importantly, it must be emphasised that the MPI seeks to distinguish the deprived from the well-off, using cut-offs or thresholds for each indicator. This infers that sufficiency of wellbeing in an indicator can be identified and applied universally. Alkire and Foster sound a caution; the application of thresholds can lead alternately to identifying "most of the population as being poor, including persons whom many would not consider to be poor" (2009, p9) while it also "inevitably misses persons who are experiencing extensive, but not universal, deprivation" (2009, p9).

4.5.5 The South African Index of Multiple Deprivation

The SAIMD was developed by the Centre for the Analysis of South African Social Policy, University of Oxford, in conjunction with the Human Sciences Research Council (HSRC) and Stats SA. The instrument was first applied to 2001 population census data and the results published in 2006 (Noble et al., 2006). It has since been employed in distinct iterations (Wright et al., 2009; Noble et al., 2013; Noble et al., 2014), seeking to assess deprivation at municipal and national level. The measure is recorded as "a composite index reflecting four dimensions of deprivation experienced by people in South Africa: income and material deprivation, employment deprivation, education deprivation, and living environment deprivation" (Wright et al., 2009, p3).

Four dimensions, referred to as domains, and eleven indicators comprise the SAIMD. The rationale for indicator selection is promoted as the domain specificity of each selected indicator, the scope of the indicator as illustrative and indicative of privation suffered and the resilience of each indicator to interrogation (Wright et al., 2009; Noble et al., 2013). The device is illustrated in table 4-11.

The SAIMD seeks to illustrate relative deprivation, establishing standardised metrics that enable spatial comparison, according to cut-offs. The use of cut-offs requires some degree of consensus at last, of the point at which the cut-off is to be applied. In other words, the point at which someone is considered free of deprivation, relative to a more disadvantaged fellow citizen. Where few domains and indicators are used, there exists the prospect of declaring a deprived individual or household sufficiently well off so as not to warrant attention. This treatment is tantamount to a ratio scale of deprivation, where true zero is the cut-off between the least well-off non-poor person and the most well-off poor person. Deprivation scores are therefore negative integers. The scale can be adjusted to make true zero the least well-off member of the population but the point remains that the introduction of cut-offs can omit individuals and households who experience some form of ill-being.

Table 4-11: The dimensions, indicators and application of the SAIMD

Domain	Indicator	Application
Income and Material Deprivation	1. Number of people living in a household that has a household income < 40% of the mean; or 2. Number of people living in a household without a refrigerator; or 3. Number of people living in a household with neither a television nor a radio.	Proportion of people living in households experiencing one or more of the deprivations.
Employment Deprivation	4. Number of people who are unemployed; plus 5. Number of people who are not working because of illness or disability.	Proportion of unemployed adults aged 15 – 65.
Education Deprivation	6. Number of adults (18-65 years) with no secondary schooling.	Proportion of adults aged 18 – 65 with no secondary schooling.
Living Environment Deprivation	7. Number of people living in a household without piped water inside their dwelling or yard; or 8. Number of people living in a household without a pit latrine with ventilation or flush toilet; or 9. Number of people living in a household without use of electricity for lighting; or 10. Number of people living in a shack; or 11. Number of people living in a household that is crowded.	Proportion of people living in households experiencing one or more of the deprivations.

Source: Author, from Wright et al. (2009).

4.6 THE GEOGRAPHY OF DEPRIVATION

Setting out as it does to determine the relationship between spatial deprivation and NPO distribution in KZN, this study seeks to achieve a ranking of ill-being in the province, experienced in the eleven districts. It remains to identify, albeit very briefly, whether deprivation is, in South Africa, a spatial phenomenon. If so, it may be expected that the data will reveal, in chapter six, that deprivation in KZN demonstrates a spatial pattern, enabling the computation of an index for ranking purposes, of the deprivation encountered in the eleven municipal districts.

Philip maintains that "it isn't really possible to understand the nature of economic marginalisation in South Africa without understanding … [the history of] … the interface between the structure of the economy and issues of spatial inequality" (2012, p5). She alludes to the structural inequality resulting from the 1913 Land Act forcing "[mainly male] black South Africans off the land and into the labour market, creating a cheap migrant labour force for South Africa's mines" (Philip, 2012, p5). In truth, colonisation and

competing settler and Colonial interests had set the tone for resource reservation and manipulation (SAHO, n.d.). Philip asserts that the 1913 Land Act "linked the politics and economics of land and labour – and, in the process, of spatial and economic development – in ways that have shaped South African society and its economy in profound ways ever since" (2012, pp5-6).

The apartheid regime's rationale underpinning separate development led to the formalisation of spatially distinct living areas for communities identified by race. Areas so set aside for black citizens, were deliberately designed, however, with little or no commercial infrastructure, rendering these so-called townships dependent on input and wage employment in the apartheid cities. Philip points out that:

> *The legacies of these linked logics of dispossession, "separate development", labour migrancy and urban transience bedevil rural and agrarian development to this day. They had equally profound impacts on the space economy in urban areas.* (2012, p6).

The distancing of access by groups thus disadvantaged, reduces resource access and social power. Apartheid achieved a spatial distribution of economic and social exclusion that has proved notably difficult to eradicate. The poor, and the marginalised, are contained beyond urban centres. The criteria for inclusion in the urban centres of economic power are established by the potential contribution of the included, measured by labour and capital contribution. The resulting socio-economic interaction of the included enhances capability and access to opportunity, exacerbating the relational distance between the resource and relationship deprived rural poor, and the comparatively well-off urban dwellers, the urban poor excepted.

South Africa, characterised as it was pre-1994 by racially exclusive policy position and hence resource reservation, manifested a foundation of ethnic disadvantage which remains as legacy even though, as Seekings and Nattrass put it, "the basis of disadvantage shifted from race to class" (2005, p4) with transition to democracy. Whether measured by race or by class, material and social disadvantage remains endemic in a country with restrained economic growth exceptional unemployment and exceptional inequality.

According to StatsSA, "there are significant differences in poverty levels between the population groups in South Africa. In terms of poverty share, more than 9 out of 10 (94,2%) poor people in South Africa were black Africans in 2011, a proportion that increased slightly from 2006 (92,9%) and 2009 (93,2%)" (2014, p27). Further, that "In 2011, more than a quarter (26,3%) of all poor people lived in KwaZulu-Natal" (StatsSA, 2014, p31).

Adato et al., writing in 2006 and citing the work of Klasen (1997) and Leibbrandt and Woolard (1999) recorded that:

> *The province of KwaZulu-Natal is home to approximately 20 per cent of South Africa's population of 44 million. Although not the poorest province in South Africa, it arguably has the highest incident of deprivation in terms of access to services and perceived well-being.* (Adato et al., 2006, p230).

StatsSA documented that years later, little had changed:

> *In 2011, more than two-thirds (68,8%) of rural dwellers were still living in poverty as compared with less than a third (30,9%) of residents in urban areas. The rate of reduction between the two settlement types from 2006 to 2011 was also different – there was a 15% reduction in poverty levels in rural areas, which was much lower than the 24% reduction in urban areas.* (StatsSA, 2014, p33).

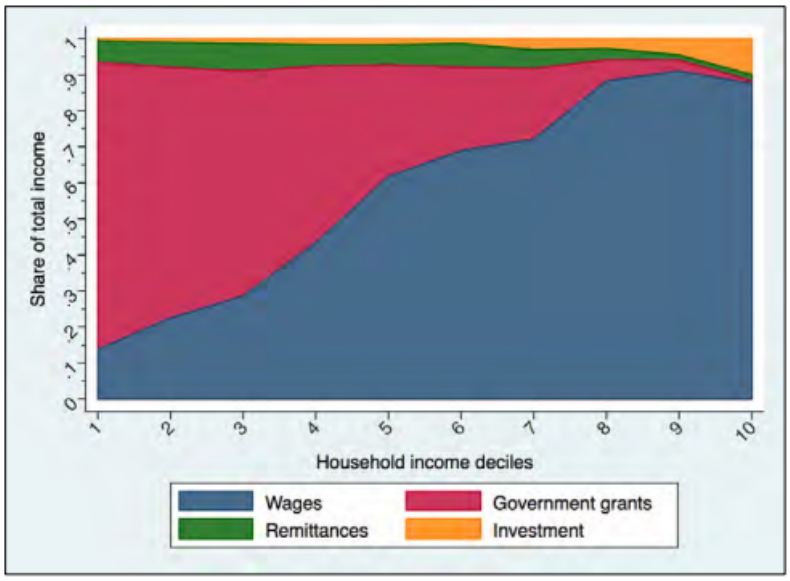
Finn points out that "for the poorest households, wage income is a relatively small part of household income – ranging from 15% to 25%, on average" (2015, p2). Alarmingly, this derives from the low incidence of wage earners in poor households and the pervasiveness of government grant income which Finn computes to represent 70% to 80% of poor household incomes.

Figure 4-4 illustrates the inverse contribution of government grants and wages to the share of total income of South African households. This breakdown, computed from the dataset provided by the third wave of the National Income Dynamics Study undertaken in 2012 and published in 2013 (National Income Dynamics Study, 2013) demonstrates how wages contribute to inequality. Finn remarks: "Wages are, of course, also the central drivers of poverty dynamics in the country" (2015, p4).

The question arises whether the current status quo, where government grants support the poorest households, affords the individuals so supported satisfactory social protection. In light of Finn's illustration and the poverty lines constructed by Budlender et al. (2015) and Finn (2015) and the data provided by StatsSA (2014), it appears that there is limited reason to believe that the receipt of an income grant negates vulnerability and introduces resiliency.

The sobering interpretation is that the rural poor in particular, experience a significant degree of deprivation and that their precarious circumstance, while improving at aggregated level, is deteriorating relative to their urban counterparts. This being the case, it would appear imperative that policy and practice be steered towards alleviating the dual plight of income insufficiency and social marginalisation. As Remenyi argues: "The aim of sustainable poverty reduction is to give every able bodied person the best opportunity to achieve a level of self-reliance above the poverty line" (2004, p206).

Figure 4-4: Composition of household incomes by decile



Source: Reproduced from Finn (2012, p3)

In keeping with the identified theme that there is less a poverty threshold, than an area of distinction between the poor remaining vulnerable or exhibiting a resilience and capability and the exertion of agency, the goal is to develop resilience through premeditated assistance. However: whether this assistance is usefully and productively encompassed by the government's position on social development, enacted through a ministry and department responsible for social development and executed by civil society organisations contracted for the purpose, remains to be seen.

4.7 DEVELOPMENT AS ANTITHESIS OF DEPRIVATION

There remains one final task of this chapter. It is to contemplate the pursuit of development as the antithesis of deprivation. Accordingly, this sub-section establishes a configuration of development, expressed as a vision and goal. It draws principally on the understanding that has emerged since the 1950s, widely regarded to coalesce around Amartya Sen's work on development as an expression of individual capabilities and freedoms. However, I interpret Ian Little's critique of welfare economics to offer material foregrounding for rendering Sen's principles of development. It is in any case unreasonable not to contemplate social development as a product of political economy. Hence this sub-section is presented in two parts: the first addressing political economy and the second personal freedoms, as keystones of social

development. These precepts serve to inform the evaluative discussion and formulation of theoretical conclusions that constitute chapter nine.

4.7.1 Political economy as a keystone of social development

In chapter two, the goal of developmental social welfare was isolated as 'the meeting of basic needs'. National Treasury expressed this as a matter of "ensuring delivery of benefits to the poorest, improved social insurance for the employed and unemployed, social assistance to those most at risk, protection of the rights of children, greater community involvement and inter-sectoral coordination" (2007, p100). In 2013, National Treasury repeated this mantra as an expression of "reducing the cost of living for low income and working-class households" (2013, p81). This perspective is perhaps too detached from mainstream development thinking to represent a credible point of view, for it does not address matters of individual choice, nor the impediments to making choices suffered by individuals deprived through circumstance from freedom to choose.

For Little (2002), free market competition represented the systemic foundation of equitable distribution of outcomes arising from economic activity. Little understood the workings of the market to be an apolitical system, exclaiming that government "should where possible reduce the extent to which they determine the relative wealth or income of different groups or sectors of society" (Little, 2002, p124). Little's proposition for this position is one of transparency and limited opportunity for systemic manipulation, for "if distribution is determined to large extent politically then corruption is encouraged and much political activity is reduced to an unattractive fight for personal and group advantages" (2002, p124).

Simultaneously, Little understood the necessity for political intervention to limit coalitions which would seek to manipulate distributional outcome. Political intervention in the workings of a free market is, in other words, both necessary and ultimately inevitable. What appears to be inevitable also, as a consequence of political redetermination of resource allocation and distributional outcome, is bountiful opportunity for political malfeasance. Developing economies are invariably youthful democracies. These democracies are often the consequence of relatively recent political liberation. Political liberation is invariably the consequence of social revolution intended to replace one template of resource allocation with another, in the proclaimed interests of equitable distributional outcomes. An unfortunate companion of the act of resource reallocation, is rent seeking: "the instrument with which persons, firms, and distributive coalitions seek to alter the allocation of wealth in their favour" (Little, 2002, p127). "Some groups, and even a few individuals may be able to determine or at least significantly influence their own outcomes, which is not politically or morally acceptable" (Little, 2002, p124).

In a context favouring substantial political intervention, as with South Africa, pressure on government to enable wage opportunity through direct employment in both public service administration and state-owned enterprises, active promotion of infrastructural investment, public works schemes and the monthly transfer of conditional social grants, creates both significant and substantial opportunity for rent seeking. That ostensibly well-intentioned efforts to achieve equitable distributional outcomes manifests complementary self-enrichment, is a perverse associated outcome. Were these efforts to demonstrate a misalignment with what are generally accepted principles of development, then this would be tantamount to both a tragedy and a staggering deceit. Interpretation of the empirical and theoretical evidence to follow in chapter nine, will determine whether this is the case.

4.7.2 Personal freedom as keystone of social development

Economic development was for Little, an exercise leading to an elevated demand for labour and hence a reduction in poverty (Little, 2002 [1950], 2002). For Sen, contemporary economic development represents an obsession with utility, for "the merit of the market system does not lie only in its capacity to generate more efficient culmination outcomes" (1999, p27). Sen distinguishes what he refers to as comprehensive outcomes, from culmination/distributional outcomes. Distributional outcomes arise as consequence of a process, and Sen emphasises the importance of "the processes through which the culmination outcomes come about" (1999, p27). In this frame of reference, wage opportunity is a positive freedom, favourably distinguishing the society within which such freedom is enjoyed. Positive freedoms demonstrate a virtuous social arrangement, one where individual freedoms are simultaneously respected and entertained as contributing to the social arrangement (Sen, 1999).

Development is consequently an expansion in human capability, enabling enhanced freedom of choice. Capabilities are "the substantive freedoms he or she enjoys to lead the kind of life he will she has reason to value" (Sen, 1999, p87). More particularly, capabilities "represent the various combinations of functionings (beings and doings) that the person can achieve. Capability is, thus, a set of vectors or functionings, reflecting the person's freedom to lead one type of life or another… to choose from possible livings" (Sen, 1992, p40).

While individual capability is more conventionally regarded as human capital, impacting economic production, Sen (1999) views this to be a limited interpretation and augments his notion of 'capabilities as vectors' by contemplating capabilities as not only influencing economic production, but also directly impacting freedom and wellbeing and, ultimately, influencing social change. Freedom of choice to determine an alternative life outcome is hence an outcome of capability, but must simultaneously be acknowledged as dependent on birthright. Put simply, inherited disadvantage not only impacts freedom of

choice but also the prospect of effectively contesting that circumstance, for "the freedom of agency that we individually have is inescapably qualified and constrained by the social, political and economic opportunities that are available to us" (Sen, 1999, pp xi-xii).

Drèze and Sen (1995) refer to this as 'capability deprivation', and lament focus on economic growth at the expense of the individual. While, as earlier proclaimed by Little, elevated wage opportunity is facilitated by elevated economic growth, Drèze and Sen maintain that gross indicators of aggregated income and economic output, implausibly substitute authentic measurement of the impact of development efforts on individual lives. Rather, "development consists of the removal of various types of unfreedoms that leave people with little choice and little opportunity of exercising the reasoned agency" (Sen, 1999, p xii).

If it is structural impediment to freedom that represent obstacle to the exercise of agency, then development must encompass revision of a society's political economy, or structures of power and resource allocation. This moves Green to distinguish the rights-based approach to human development, one that "unites economic and social rights with political and civil rights, aiming to build a 'social contract' between state and citizen. At its core is the idea that all people are of equal dignity and worth" (Green, 2008, p504). Sen phrases it thus:

> *The society in which a person lives, the class to which he belongs, the relation that he has with the social and economic structure of the community, are relevant to a person's choice not merely because they affect the nature of his personal interests but also because they influence his value system including his notion of "due" concern for other members of society. The insular economic man pursuing his self-interest to the exclusion of all other considerations may represent an assumption that pervades much of traditional economics, but is not a particularly useful model for understanding problems of social choice.* Sen (1970, p6).

Citing Marx, Sen emphasises "the importance of replacing the domination of circumstances and chance over individuals by the domination of individuals over chance and circumstances" (1970, p289). The overarching objective of this research is to determine whether the social policy objectives ordained by the state and exercised as a social development modality by the DSD, are effective. Accordingly, such an evaluation must determine the extent to which the state's institutions and actions enable comprehensive and authentic personal freedoms, and facilitate an exercise of agency and capability by deprived citizens over adverse circumstances in the reversal of misfortune. If the evidence suggests that unfreedoms remain the purview of the deprived, then the ignominy of a deficient social policy is revealed.

4.8 SUMMARY AND IMPLICATIONS

This chapter set out to elaborate the micro context of social development intervention in South Africa, particularly a scoping of the form and function of the vulnerability which prompts a developmental welfare response by the state. The objective has not been to identify gaps in the literature, for the research problem is not determined as a researchable response to shortcomings or deficit in our understanding of the construct. Rather, the research represents a considered response to what can be described as a disingenuous policy and process interpretation, relative to what is in fact known, of deprivation and its discontents. Little objection can be raised to government's ideological position and assumed social policy position, respectively representing the meta-context and macro context of social development vision and strategy. However, evident decline in the nation's broad indicators such as education, health, employment, and income equity, suggest that the state's remedy – 25 years in the making – falls short of state objective as well as societal expectation of wellbeing.

Accordingly, this exploratory research set out to determine, in its first wave, whether developmental welfare provision fails to address developmental welfare need because of misalignment in supply of and demand for, developmental welfare services. The demand for such service is an expression of spatial distribution of the deprived. This is the dependent focal variable of this study and hence requires sufficient definition of deprivation, its antecedents and particularities, its measurement and geography.

4.8.1 A summary of deprivation and its discontents

The primary beneficiary target population of state social development attention and intervention demonstrates a state of deprivation and ill-being. Traditional income-related indicators of poverty have been demonstrated to inadequately capture the associated discontents of income poverty. Current thinking recognises social marginalisation and resource poverty, as unfortunate bedfellows of income poverty. It does not necessarily follow that only the indigent suffer social exclusion and political marginalisation. However, the income-poor and resource-poor have little political voice bar their appetite, should they have it, for agitation. This appetite is blunted by government's commitment to both the use of force and rhetorical calls for patience as the struggle for economic liberation continues.

Resource poverty is demonstrated as an unfortunate amalgam of limited ownership of productive assets, precarious physical health and bodily integrity, compromised respect, dignity and social belonging, and in some cases, cultural identity. Limited education, hence compromised prospect for imagination, limited organisational capacity and limited ability to influence the allocation of resources and the dispensing of largesse by those in power, conclude the meagre balance sheet of the poor.

Addressing deprivation can be interpreted, therefore, to focus on primary livelihood outcome of reduced vulnerability. Monthly grant transfers, and the availability of social safety nets for employees who forfeit their employment or their physical integrity through workplace incident, represent standard government response, one that is not unique to South Africa. Tellingly, however, such a focus denies transforming structures and processes that serve to impede the prospect of the resource-poor developing either the resolve or the capabilities necessary for countering vulnerability and developing self-reliance.

Vulnerability is consequently seen to arise as a gradation of hardship, with the abject poor suffering inadequate consumption, security, services and social integration. Better off, but still vulnerable, are those individuals who might be sufficiently possessed of agency and capability to exert leverage over their environment. Urged by the state, scholars, and the generally well-meaning, these individuals are urged, and witnessed, to create their own self-employment. That the structures and processes which buttress the lives of the better-off, simultaneously serve to impede the livelihood prospects of the subsistence-poor and for that matter even the wage-earning poor, appears to have escaped the state, scholars and the munificent.

The involuntary nature of impoverishing social exclusion infers that even though citizenship is constitutionally underwritten, social exclusion introduces an involuntary alienation that renders the marginalised less of a participating citizenry then their more fortunate counterparts. This is not addressed through grant payments, which represent a form of state philanthropy. While the erection by government of an apparatus to transfer a quantum of monthly stipend intended to elevate its recipients to a poverty threshold that is in any case hotly disputed, may represent what has become an apparent essential, it fails to address the paucity of livelihood strategies of the poor.

Government's compendium of development indicators suggests an acute awareness of the state of the impoverished nation. A plethora of metrics focused on employment, health, food security, social cohesion, education attainment and housing, does not translate to measures, actions and interventions devised to reverse disempowerment, inequalities, vulnerability, and labour market exclusion. In any case, government's national development indicators simply represent yet another perspective in relation to multidimensional deprivation measurement. Proponents of such measures eschew simple poverty headcounts, claiming the use of measures limited only to income, fails to satisfactorily differentiate so-called lived deprivation.

The multidimensional deprivation indices consequently determine a series of dimensions with appropriate indicators, each weighted according to the proponent's sensibility to enable determination of a basket of deprivations. Two points are worth noting. The first, is that these indices must still work within the construct of cut-offs, beyond which an individual or household can no longer be required as deprived. For

example, being resident in a dwelling with an earthen floor with no floorcovering is considered to constitute such a household as one that is deprived. The classifications remain categorical, relative to the continuous nature of income-based measures. The second point is that the international community have acknowledged that the multidimensional deprivation indices entertain international comparison. It matters not whether this is valuable for either developed or underdeveloped nations, for the outcome is a common one: a measure of relative ill-being in the sovereign jurisdictions of the global village.

It transpires therefore, that comparisons can be achieved at inter-country level, or inter-provincially at country level or, as it suits this research, at the level of districts within the province of Kwazulu-Natal. Within district municipalities, it becomes possible to measure deprivation at ward level. This acuity clearly does not suit this research enquiry, but can be interpreted to inform initiatives aimed at improving well-being, should there be any, carried out by local government. However, very pertinently, as it suits this research enquiry, the geographic dispersion of deprivation across Kwazulu-Natal's municipal districts is both reported and can be adjudged to illustrate the legacy of economic and social planning of the region's former authorities. Accordingly, both civil society and provincial government social development response to deprivation can rationally be expected to demonstrate an associative relationship to deprivation. It is this research investigations objective of the first wave, to measure this relationship.

The second wave of research seeks to evaluate the utility of the modality developed by government at national level and executed with accompanying budget allocation at the level of province, aimed at a reduction in the level of ill-being in KwaZulu-Natal's municipal districts. This model exploits the existence of civil society organisations in the province, some of which are selectively contracted by provincial government to provide their welfare service provision according to provincial government mandate. These services must be interpreted to constitute the 'developmental welfare' efforts held by government to represent appropriate response to citizen ill-being. The chapter consequently undertakes an elaboration of what the international fraternity has come to acknowledge and embrace as development actions and initiatives, intended to displace deprivation and hence considered by this study to represent the antithesis of deprivation.

The knowledge commons reveals two broad approaches to development: a people-centred approach that seeks to 'trickle-up' development successes and the so-called hard approach that pursues economic growth with the intention of a trickle-down effect elevating more winners than creating losers in this economic race. However, if political economy is to serve as a valid keystone of social development, it becomes apparent that a policy and enabling framework for economic growth must be accompanied by a system that facilitates equitable distribution of outcomes arising from economic activity. It is here where the free

market system demonstrates itself as inadequately up to the task and government intervenes to manipulate processes of economic growth, to limit the prospect of there being economic losers. This requires transparency and limited opportunity for systemic manipulation by individuals and institutions enjoying the responsibility and privilege of resource allocation.

The alternative, people-centred approach, is one where the emphasis falls on facilitating opportunity for alternate, equitable, distribution outcomes from economic activity. This translates to facilitation of wage opportunities, in turn dependent upon an expansion in human capability, enabling enhanced freedom of choice. Recognising that the deprived suffer a restricted freedom of choice, development efforts must focus on facilitating an elevation in human agency and capability, including addressing structural impediments to freedom that represent obstacle to the exercise of agency. Hence, development must encompass revision of a society's political economy, or structures of power and resource allocation.

4.8.2 Implications for conducting this research enquiry

The impact of government's social development policy and associated mechanism for addressing deprivation, is indistinct. While poverty and its associated discontents is recorded as diminished since the democratic transition, little evidence is available to suggest that aggregated individual resilience has improved, and that poverty has reduced through the improved agency and capability of the poor.

No public line of sight exists of the utility of government's modality for reversing the challenges faced by deprived individuals and communities. The modality is itself, clear and evident: unconditional cash transfers to the most vulnerable, ameliorate the immediate discontents of income poverty. The attendant discontents of social marginalisation, or exclusion from full societal participation, is challenged by a parallel programme of social welfare service provision, furnished by NPO contractors co-opted for the purpose. While social grants draw both scholarly and *vox populi* attention, the impact of the welfare services programmatic expenditure has not served to stimulate academic or popular interest. Hence, whether this parallel modality is sufficient, or effective, in addressing deprivation is the particular focus of the second phase of this study's two-phase investigation. Before this can be undertaken, however, the elementary question of the distribution of the welfare NPO sector relative to the rate and prevalence of social deprivation, must be answered. This is undertaken as the study's first phase.

It is unreasonable to think that regime change in the early 1990s could within the space of a few decades rewrite the execution of welfare service provision. Racially and geographically stratified, welfare service provision was attended to by the former Department of Social Welfare, and a coterie of NGOs. The complexity of the challenge posed by dismantling the inadequate institutional framework inherited by the

ANC in 1994, and developing a framework capable of both service provision as well as the required redress associated with social justice was, and remains, immense. Tellingly, the challenge may have proved a bridge too far. It is not, however, possible to pronounce in any way, for the evidence to enable such an evaluation simply does not exist.

Citing Marx, Sen emphasises "the importance of replacing the domination of circumstances and chance over individuals by the domination of individuals over chance and circumstances" (1970, p289). The overarching objective of this research is to determine whether the social policy objectives ordained by the state and exercised as a social development modality by the DSD, are effective. Accordingly, such an evaluation must determine the extent to which the state's institutions and actions enable comprehensive and authentic personal freedoms, and facilitate an exercise of agency and capability by deprived citizens over adverse circumstances in the reversal of misfortune. If the evidence suggests that unfreedoms remain the purview of the deprived, then the ignominy of a deficient social policy is revealed.

CHAPTER 5

THE META-THEORETICAL CONSIDERATIONS OF THIS RESEARCH

> *It is clear, then, that the idea of a fixed method, or of a fixed theory of rationality, rests on too naïve a view of man and his social surroundings. To those who look at the rich material provided by history, and who are not intent on impoverishing it in order to please their lower instincts, their craving for intellectual security in the form of clarity, precision, 'objectivity', 'truth', it will become clear that there is only one principle that can be defended under all circumstances and in all stages of human development. It is the principle: anything goes.* (Feyerabend, 1993 [1975], pp18-19, original emphasis).

5.1 INTRODUCTION

Creswell (2012), explaining research approaches, talks of the intersection of worldview, design considerations and methods. He sees "worldviews as a general philosophical orientation about the world and the nature of research that a researcher brings to a study" (2012, p6). Regarded as a paradigm, or "theoretical framework within which research is conducted" (O'Gorman and MacIntosh, 2015, p54), research paradigms are for Harré (1987, p3), "a combination of a metaphysical theory about the nature of the objects in a certain field of interest and the consequential method which is tailor-made to acquire knowledge of those objects." In view of these emphases, the first goal of this chapter is to describe and explain my orientation to truth, knowledge, and explanation.

It should be noted, however, that the meta-theoretical considerations that channel the methodological substances of the research design, are the same paradigmatic influences from whence the articulation of the observed research problems and associated research objectives spring. These influences represent the steppingstones of my life course. In the words of Marsh, Ercan and Furlong, "because they shape our approach, they are like a skin not a sweater; they cannot be put on and taken off whenever the researcher sees fit" (2018, p177). In other words, this chapter does not strive to defend the selection of a research paradigm. It is rather to reveal it – and to explain the manner in which those methodological considerations this body of research practice exemplifies, correspond to this philosophy of science. From this perspective - from 'my skin' – the enquiry has been conceived, the approach has been shaped, the methods devised, the

analysis undertaken and, ultimately, the evidence interpreted. The prevailing ontological, epistemological, methodological, axiological and aetiological connotations of this meta-perspective, are the matter of the first part of the chapter.

Conventionally distinguished as a dimension contrasting positivism with interpretivism, the continuum of research is contended as both inadequately described, and explained. As academe has risen to the call to render the philosophy of science accessible to an explosion of postgraduate students, a volume of research methods texts has spawned. These distinguish, firstly, positivism and post-positivism from constructivism and interpretivism, and quantitative methods from qualitative methods. They introduce, secondly, the notion of mixed methods research, principally conveyed as method triangulation.

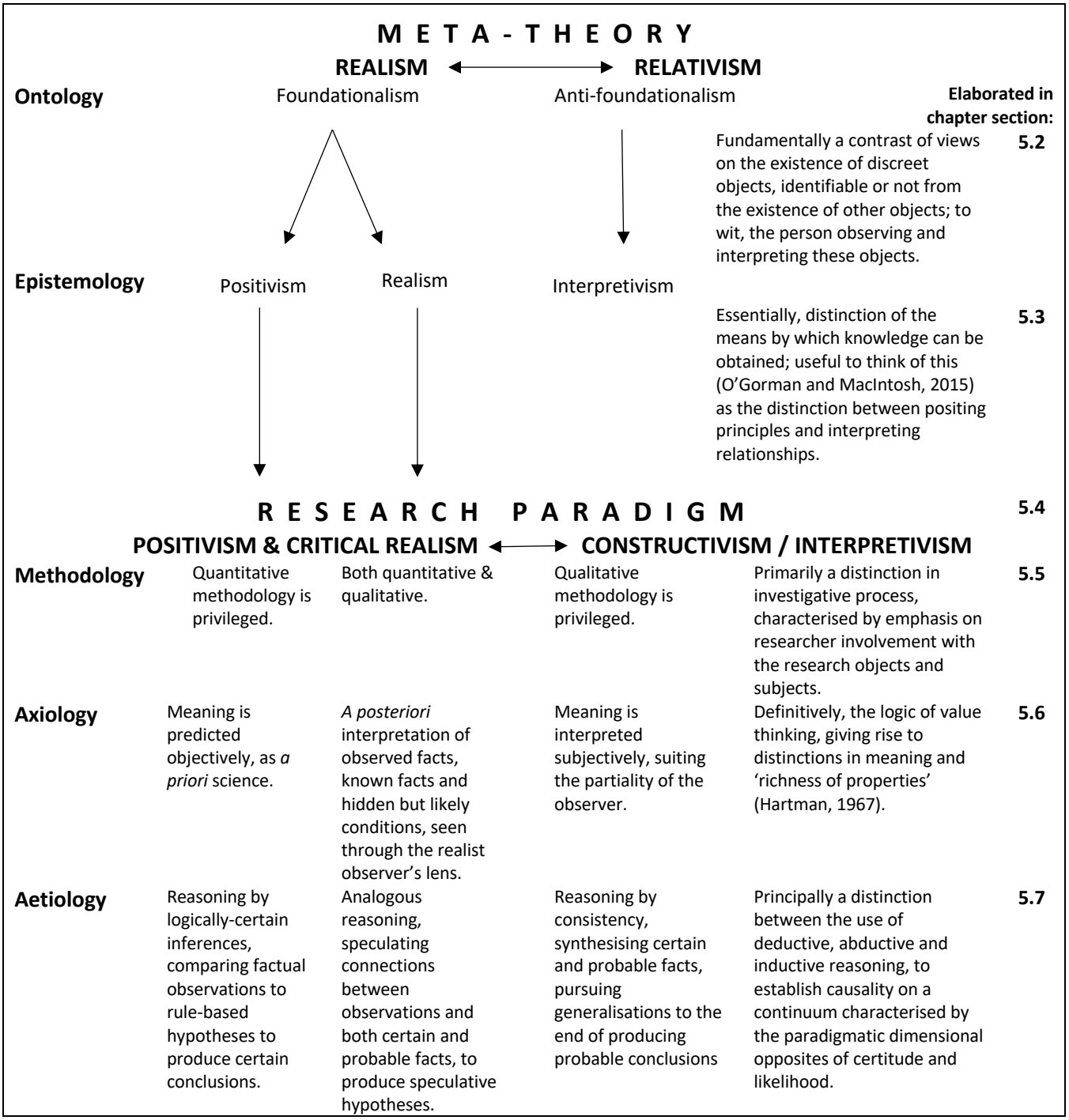
Turning away from the popular and useful, but elementary explications, deeper investigation reveals a centuries-old debate that initially foregrounded the empiricism of foundationalists, but which was to concede position to the constructionism of the anti-foundationalists. The divide between realists and relativists – and even that between positivist scientists and realists - remained distant, despite the efforts of "the 'classical pragmatists' … Charles Sanders Peirce (1839–1914), William James (1842–1910) and John Dewey (1859–1952)" (Hookway, 2016). Arising as a matter of 'dominant paradigm', Morgan (2007, p49) maintains that "the increasing acceptance of this [anti-positivist] metaphysical paradigm from the 1980s onward led to not only a widespread acceptance of qualitative methods but also a broader reconceptualization of methodological issues throughout the social sciences." Morgan proposes a return to pragmatism as a paradigmatic approach, perhaps unoriginally so, for he relies on recalling the "core tenets of pragmatism" (2007, p66) of James, Dewey, Peirce and others.

Notwithstanding this disjuncture, the many authors who propose research methods insights and illumination, agree substantially on the selection of research methods as the culmination of a process of paradigmatic clarification. This is modelled on a meta-theoretical progression commencing with matters of truth and belief, ranging through the 'nature of knowledge' to the determination of a 'methodological approach' aligned to ontological belief and epistemological rationalisation, culminating in the selection of similarly aligned data collection methods and their associated frames of analysis.

It is proposed that in order to better convey the paradigmatic considerations (more correctly and completely, the meta-theoretical considerations) of this research, that the familiarity of this progression is exploited. It is fitting to adhere to conventional patterns of explanation in situating this meta-theoretical position and the impact thereof on the design of this research. This elaboration consequently follows the concept map illustrated in figure 5-1, the concepts being drawn from a spectrum of literature reducing the map to a near-

universal frame of reference, providing a substantially regarded account of the philosophy of science from past to present.

Figure 5-1: Connecting ontology, epistemology and methodology in the research paradigms



Source: Modelled after Marsh, Ercan and Furlong (2008, p179), and incorporating O'Gorman and MacIntosh (2015), Hartman (1967), and Fleetwood's (2014) rendering of Bhaskar's Critical Realism as a meta-theory for social science, and Moon and Blackman's (2014) illumination of objectivism and subjectivism for interdisciplinary researchers.

The discussion commences in section 5.2, with ontology and belief, then moves in section 5.3 to epistemology, and the pursuit of knowledge and the disjuncture of belief and opinion. This enables the clarification of worldview in section 5.4, whereupon the meta-theoretical considerations impacting on methodology and research design, axiology and aetiology, are set out. The chapter is concluded with a summary appraisal of the implications for the study research design and methods, the subject of the following chapter, six.

5.2 ON ONTOLOGY AND BELIEF

The primary ontological departure point, if it is so regarded, is one recorded as the denial by anti-foundationalists of noumena, and the accompanying contestation that there is no reality beyond that which can be personally, phenomenally, experienced. The notion of a noumenal world, attributable to Kant, establishes a transcendent foundation for interpreting the phenomenal world. Noumena are necessarily intelligible (the etymology being from the Greek *noein*, to conceive, and *nous*, mind) but beyond intellectual comprehension, beyond our cognition. Noumena hence represent an act of faith, in this conceptualization. This does not in itself contradict the idealism of anti-foundationalism, but presupposes the existence of something intellectually incomprehensible (New World Encyclopedia, 2018). Kant's regard of a super-sensory, immanent realm, is one that holds that "… all objects of an experience possible for us, are nothing but appearances, i.e., mere representations, which, as they are represented, as extended beings or series of alterations, have outside our thoughts no existence grounded in itself" (Kant, 1781, cited by Stang, 2016,).

Accepting this metaphysical foundation, a virtual pyramid as contested by Sosa (1980) of dependent beliefs that enjoy ontological status (because there is, in theory, an endless, infinite regression of propositions supporting the original proposition), suspends the requirement to otherwise conduct an infinite regression of supporting propositional arguments. Cameron (2018,) articulates the invocation of metaphysical foundationalism as a foil to infinite regress, thus:

> *Some [metaphysicians] have been suspicious of the idea that this can go on ad infinitum, with every thing being ontologically dependent on some new thing(s), and thus have argued for Metaphysical Foundationalism: the view that there is a collection of absolutely fundamental entities upon which all else ultimately ontologically depends. Aquinas, e.g., holds that events are ontologically dependent on their causes, and that an infinite regress of causes and effects would be an infinite series of things each of which is ontologically dependent on the next, and this is impossible.*

Incorporated in Kant's general theory of Transcendental Idealism, is his connected notion of Empirical Realism. Transcendental idealism is metaphorically described by Abela (2002) as a mansion with many rooms, one of which is empirical realism. "This room contains Kant's analysis of the conditions necessary for knowledge of the familiar world of empirical objects" (Oxford Scholarship Online, 2011,). Kant set the stage for these conditions by arguing that: "The realist, in the transcendental signification, makes these modifications of our sensibility into things subsisting in themselves, and hence makes mere representations into things in themselves" (Kant, 1781, cited by Stang, 2016,). In other words, that which can be perceived, within the constraints of our sensory perception, exists independently of our knowledge of it - the realism part - but it can be known, through scientific observation - the empirical part. Reality (real forces, real structures, for example) is the underlying cause of the phenomena we empirically, or scientifically observe (Schwandt, 1997), rather than idealistically intuiting them in a transcendental sense.

Of course, if objects are to be regarded as known, then the knowledge would of necessity, ideally, have to be known in the same way and by the same criteria, by anyone choosing to know. As Kant argued, the goal of reason is to deduce universal law: "Act only according to that maxim by which you can at the same time will that it should become a universal law" (Kant, cited by McCormick, no date,). Hence the emphasis by positivists generally of dispassionate observation and more recently, the devout adherence by positivists to Popper's tenets of scientific validity and reliability. Would Kant have regarded Popper's imploration (interpreted by positivists as an injunction), delivered centuries later, favourably? I am disinclined to believe so, for according to Kant:

> *The distinction seems to be that some properties of objects are represented in experience just in virtue of the a priori forms of experience, and thus have inter-subjective validity for all cognitive subjects, while some properties depend upon the particular constitution of our sense organs.* (Stang, 2016,).

Kant admitted not only the presence, but the very role, of the bias positivists disparage, post-positivists caution against, and constructivists specifically embrace as necessary for sense-making. McCormick (n.d.) relates how Kant argued that "the mind plays an active role in constituting the features of experience and limiting the mind's access only to the empirical realm of space and time." Stang observes a distinction "between the physical properties of an object and the sensory qualities it presents to differently situated human observers" (2016,). This suggests a subjectivity, contrary to the objectivism of scientific method, and a social constructivism that characterizes anti-foundationalism and the interpretivist paradigm. It is, however, ontologically pertinent for it focuses this discussion on the point that ontology is regarded, at least by a substantial portion of contemporary scholars, as a framework for interoperability.

Interoperability in the information age is facilitated by information science and data management-enabled knowledge management. Contemporary comprehension of ontology as a framework for interoperability is in fact a function of the ubiquity of information science, the modern scholar's go-to in information storage, retrieval and dissemination. Overton (2011), for example, not only notes the disparate philosophical accounts of explanation, but also the absence of universal application to distinctive contexts of reality. He explores the conception that: "Using ontologies, scientists are able to coordinate on systems of terminology, encode their data for better reuse and sharing, and search and analyze that data more effectively" (2011, p438).

Perhaps Overton's notion would be more effectively communicated as: 'Rethinking ontology as a universal frame of reference, rather than dogmatically adhering to millennia and centuries-old apriorism, enables intensely more effective and productive knowledge management.' In this vein, it is contended that informatics conceivably launched, or certainly emboldened at least, a paradigm-shift in ontological dogma.

The introduction of the World Wide Web at the cusp of transition to the 1990s, simultaneous to what is regarded as the end of the Cold War, accompanied a surge in digital knowledge management and knowledge sharing. Perhaps this inflexion point represents the start of the Fourth Industrial Revolution, with the stream in knowledge-based software platforms designed to accelerate the negotiation, capture, and exchange of knowledge. A substantial volume of information technology research work in the early 1990s sought to enable a framework and structure for knowledge re-use: "A long-term objective of such work is to enable libraries of reusable knowledge components and knowledge-based services that can be invoked over networks. We believe the success of these efforts depends on the development of an engineering discipline for ontology design" (Gruber, 1993, p908). Gruber points out that, in the Artificial Intelligence domain, knowledge content is independent of knowledge representation (1991, 1993). Correspondingly, knowledge representation is asserted by Gruber as a framework of specification systems:

> *A body of formally represented knowledge is based on a conceptualization: the objects, concepts, and other entities that are assumed to exist in some area of interest in the relationships that hold among them. Conceptualization is an abstract, simplified view of the world that we wish to represent for some purpose. Every knowledge base, knowledge-based system or knowledge-level agent is committed to some conceptualization, explicitly or implicitly.* (1993, p908, original emphasis).

Gruber adds: "when the knowledge of the domain is represented in a declarative formalism, the set of objects that can be represented is called the universe of discourse" (1993, p909). I am inclined, as management scientist, to lean towards this elucidation. Knowledge management scientists, specifically,

forge the systematic gathering of knowledge held in different domains, leveraging machine intelligence. The binary code machine intelligence upon which information technology and systems are founded, exploits the Boolean logic truth values of True and False. Drawing the strands of both explicit and tacit knowledge together in one knowledge framework, however, requires that Boolean/binary logic be rigidly algorithmically applied. Knowledge management, for information scientists, is therefore rooted in the imperative of universal taxonomy and emphasized categorization. The returns to this imperative are the universalization of information systems, and the positive network effects accompanying universal adoption.

The standardisation of information systems platforms, the universal adoption of an ontology guiding the efforts and activities of information systems scientists, emerged over a few short decades. The years preceding the introduction of the World Wide Web were characterized by information scientists deliberating and debating their ontology and accompanying taxonomies. The years thereafter, representing nearly three decades of relentless advance in data capture, refinement, storage and manipulation, and ultimately retrieval, were embodied by the refinement and exploitation of the benefits that a universe of information scientists in consensus, represented.

This is distinct from the hegemonic objectivism that stamped scientific enquiry for millennia, until the modern push back of social scientists exploring in the last century, the meaning of objects from the perspective of the interplay of object and observer. Kuhn (1970) reflected on this backlash, calling it in 1962, a paradigm shift. His contention provided the necessary reasoning to support a revolution in thinking, introducing a scientific respectability to subjectivism and facilitating the introduction by Bhaskar by the following decade, of Critical Realism as a research paradigm. In the simplest terms, according to Bhaskar (n.d., online), Critical Realism "establishes that things exists apart from our experience and knowledge of those things … it argues for a structured and differentiated account of reality in which difference, stratification and change is central." More inspiringly, he contends that:

> *Empirical Realism is underpinned by a metaphysical dogma, which I call the epistemic fallacy, that statements about being can always be transposed into statements about our knowledge of being. As ontology cannot, it is argued, be reduced to epistemology this mistake merely covers the generation of an implicit ontology based on the category of experience; and an implicit realism based on the presumed characteristics of the objects of experience, viz. atomistic events, and their relations, viz. constant conjunctions. … This in turn leads to the generation of a methodology which is either consistent with epistemology but of no relevance to science; or relevant to science but more or less radically inconsistent with epistemology. So that in short, philosophy itself tends to be out of joint with science.* (Bhaskar, 2008, p5).

There is merit in adding that Ichikawa and Steup distinguish Truth as a "*metaphysical*, as opposed to [an] *epistemological*, notion" (2017, original emphasis), distinguishing established truths as irrefutable and simultaneously pointing out that not all truths are established. In other words, where no evidence can be attached to the truth (as may be expected to arise in the presence of observation), it cannot be claimed as untrue: "truth is a matter of how things *are*, not how they can be *shown* to be" (Ichikawa and Steup, 2017, , original emphasis). Bhaskar's argument that the ontological foundationalism of Critical Realism overcomes both the limitations of Empirical Realism and Transcendental Idealism, echoes the contention of the Pragmatists of the late 19th and early 20th centuries, who vigorously contradicted rationalism as the only appropriate means of advancing knowledge.

The scholar-universe relies upon contemporary social scientists to devise, originate and maintain our knowledge-universe, is a matter of commitment. Ontology represents a commitment by these scholars. Commitment to a universal standard, a standard by which the question is less of being, than it is of unequivocal embrace of a foundational reality, one waiting to be phenomenally discerned, recorded and documented for digital posterity. Ontology represents a specification system that entertains a discourse which can be universally understood by subscribers to that discourse. Positivists subscribe to a discourse that differs pointedly and remarkably from interpretivism, with the latter's emphatic denial of the rationalism of accepting as real, that which is immanent, that which is super sensory. No ontological position can be explained for anti-foundationalists, for to hold that reality is a lived and interpreted experience is to simultaneously deny a universal object reality beyond the cognition of the subject, the researcher.

Other than noting that my leaning as researcher towards realism, it follows that the next step in the explanation of the meta-theoretical foundations of this research is to align the epistemological elements of the widely accepted research paradigms with their respective ontological roots. This will not only serve to briefly explain the paradigmatic distinctions but, more importantly, assist in more comprehensively revealing my paradigmatic stance.

5.3 ON EPISTEMOLOGY: THE COINCIDENCE OF TRUTH AND BELIEF AND THE DISJUNCTURE OF BELIEF AND OPINION

Ichikawa and Steup (2017) explain the analysis of knowledge as an exercise conventionally comprising three components, pointing out that, "According to this analysis, justified, true belief is necessary and sufficient for knowledge" (). However, as they point out in their examination of these three components, this is a disputed claim (see Ichikawa and Steup, 2017). Firstly, as has already been established, truth is not necessarily established by observation. Foundationalists claim truth to be independent of the subject-

observer. In order to satisfy the knowledge claim, not only must the claim be thought of as true, belief is a necessary co-condition. However, denial can be raised as a defence against not subscribing to a belief, even where that belief may be held by a preponderance of believers. This introduces the necessity for the third co-condition, that of justification. The non-believer, while arguably entitled to their point of view, cannot be regarded to excusably deny the beliefs of others if the contradiction is simply unsupported mulish obduracy.

Similarly, a belief is not necessarily true because it is an adopted position – if the belief happens to be true, but is not held on the basis of a propositional logic, or in other words a justification comprising lemmas or evidence, then it must be regarded as having been formed improperly. According to Ichikawa and Steup, "belief must in some epistemic sense be proper or appropriate: it must accountability" (2017, , original emphasis).

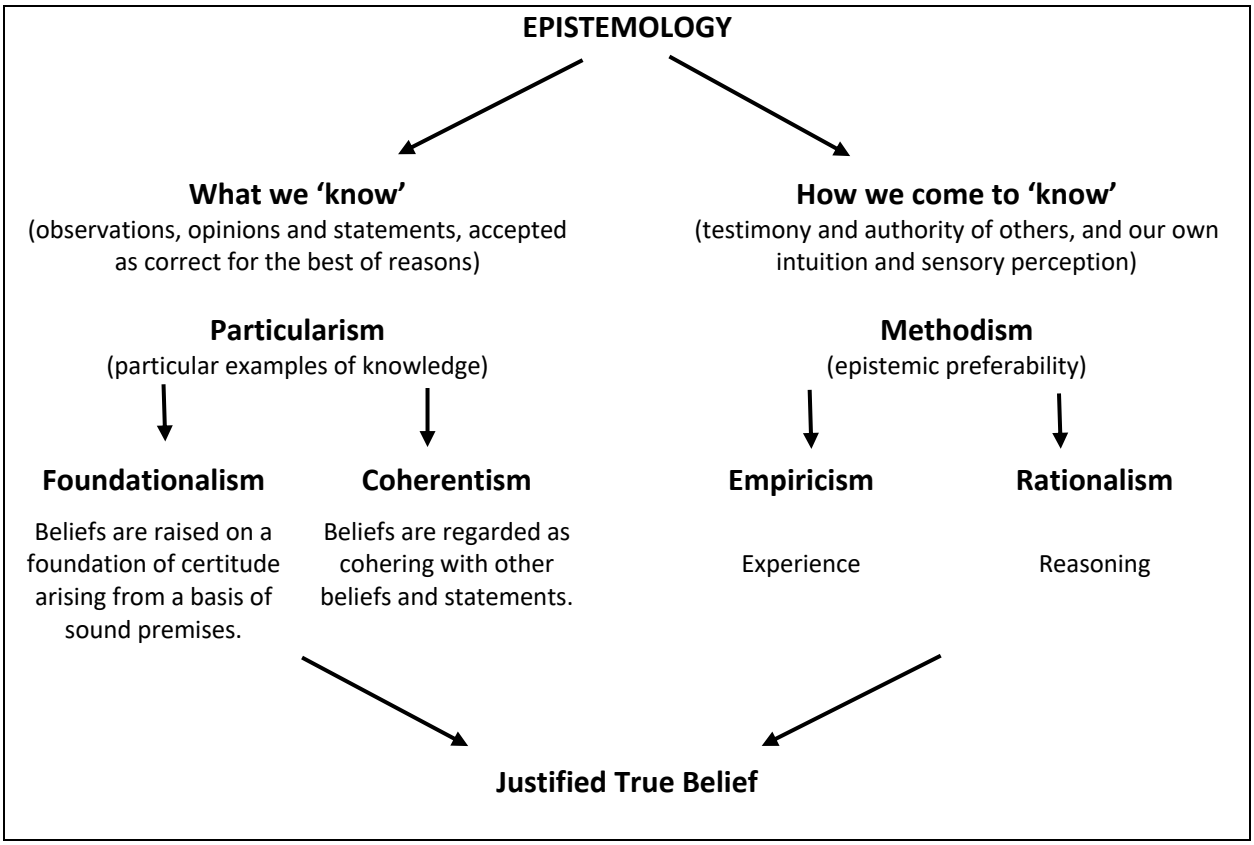
A problem arises – where justified false beliefs scaffold a belief held by the believer to be true, the contribution of justification as a third necessary co-condition must be regarded as inadequate. These situations, the so-called Gettier cases (after Edmund Gettier, see Ichikawa and Steup, 2017, for example), inadequately support the notion of the truth so derived, to be knowledge, for the derivation of this truth is, as it is considered, a lucky guess. This suggests that a further condition, to which we must shortly return. Before proceeding, however, it must be accentuated that epistemology is regarded to converge on two central questions: 'what we know' and 'how we know'. These questions and their associated constituents are illustrated in figure 5-2.

It must be reasonably anticipated, in fact expected, that one's professional association, as business practitioner and academic faculty member, with the respective groups' institutions and their knowledge commons, influences 'what and how we know'. This is what Sosa (1980) refers to as particularism; knowledge is a collection of known subjects, objects, entities and mechanisms. Particularism "gives priority to particular examples of knowledge" (Sosa, 1980, p23).

Scholars on the other hand, focus on 'how we know', what Sosa calls methodism. This can be, business practitioners will attest, detrimental to knowledge accumulation. While Sosa maintains that Descartes' methodism "led him to an elaborate dogmatism" (1980, p23), Brown's self-deprecating revelation is:

> *If you hang out with people from the so-called real world long enough, business people, laborers, service providers, sooner or later they will get around to talking about academics and they always say the same thing. Those academics, they are pretty nice folk, they mean well, they know a lot of smart people words, but they just don't have any common sense, they don't live in the real world.* Brown (2014,).

Figure 5-2: Epistemology and the process of arriving at justified true belief



Source: Author, modelled on the material of Chisholm (1982, 1989); Ichikawa and Steup (2017); Montague (1925); Moon and Blackman (2014); Nakkeeran (2010); Olsson (2017); Steup (2018); Sosa (1980).

However, both groups subscribe to the assumption that: "Not everything believed is known, but nothing can be known without being at least believed … in some broad sense" (Sosa, 1980, p3). The managers are less fixated on their beliefs being justified, than on making progress against a goal, tied usually in some way to business performance. The scholars fixate on justifying their beliefs, lest they sacrifice their ego and credibility to the intellectual rapier brandished by their peers. To place this in perspective, consider Nakkeeran's interpretation of knowledge:

> *We commonly understand that acquisition of knowledge is possible through two fundamental means: by experience (empirical) and reasoning (logical). The former includes the knowledge we gain through sensory perceptions and the latter includes logic and mathematical knowledge. However, in practice, we gain knowledge through processes that are combinations of experience and reasoning.* (2010,).

My avowed scholar-practitionership is a function of Nakkeeran's combinatorial processes of experience and reasoning and I maintain that this addresses most effectively the two fundamental questions: while experience is akin to the management professional's acumen, formal reasoning is the domain of the scholar. This represents a marriage of results-oriented action and emphasised cognition. One of the early proponents of pragmaticism, Charles Saunders Peirce, is pointed out by Kruijff (2005, p4) to have evolved his epistemological perspective on "the following coherent set of fundamental ideas":

I. *Reality is something that can be discovered, known (albeit to a limited degree).*

II. *It is possible to observe what is going on in reality, whereby single events as well as general principles count as observable phenomena.*

III. *By the (fluid) relation between phenomena and science, and the idea that cognition is in science, there is a way to reason about reality, and thereby arriving at knowledge of reality.* (Kruijff, 2005, p4).

Two points must be underscored: firstly, Kruijff announces coherence as a fundamental tenet of knowledge. This can be contrasted with the foundationalism of Descartes, who maintained that "knowledge is always an infallible belief in an indubitable truth" (Sosa, 1980, p4). This is a question of 'what we know'. Secondly, Kruijff proposes that "general principles count as observable phenomena" (2005, p4). This relates to the second epistemological question, 'how we know'.

In Sosa's contrast of coherentism and foundationalism, coherentism is not regarded as anti-foundationalist. Sosa points out rather that justified true belief must in fact rely on the resonance the belief has within an overall system of beliefs. Where foundationalism is metaphorically described by Sosa as a pyramid, with an endless progression of propositions supporting the primary postulation, he depicts coherentism as a "free-floating raft every plank of which helps directly or indirectly keep all the others in place, and no plank of which would retain its status with no help from the others" (Sosa, 1980, p24).

It must be said that this is not very far removed from the rationale of the pragmatist school of thought which forms a contemporary and substantial body of research world-view opinion, neglected by the mid-20th-century but which has experienced a resurgence. This discussion must inevitably return to pragmatism in the following sub-section, concluding on the assembly of ontological commitment and epistemological framing as meta-theoretical foundation of research world-view, but for now it is sufficient to conclude that coherentism serves as epistemic justification (Olsson, 2017) and conceivably more so than foundationalism.

However, justified true belief is not necessarily sufficient cause for knowledge because a) evidence can be flawed and b) if observation gives rise to a fortuitous or lucky observation, epistemologically speaking, the

belief which arises is not justified true belief (Steup, 2018). Luck is done away with by introducing a requirement for reliability. Reliability is what we can understand as repeatability.

Steup (2018) ultimately suggests four conditions for knowledge arising as justified true belief, blending 'what we know', the original and accepted three conditions, with 'how we know' in the form of a fourth condition, evidence:

i) Knowledge requires truth.

ii) Knowledge requires belief.

iii) Knowledge requires justification.

iv) Finally, knowledge requires evidence.

While reliabilism grounds justification in reliability, contending that true beliefs, reliably produced, are justified, evidentialism on the other hand grounds justification in the production of evidence, gained through perception, introspection, memory and rational intuition. Evidentialism requires not only evidence, but a cognitive interpretation thereof. This establishes evidentialism as 'mentalist internalism', and we can criticize this for the potential it provides for relativist interpretation, based on the mental state of the observer. Critical realism acknowledges the risk posed by uncritical cognition, and biased cognition. However, it obligates reflexivity and integrity to limit the adverse impact of naiveté and hubris, degrees of mental state that can complexion thinking as naïve or egotistical.

Conversely, reliabilism is rooted in externalism, reducing the observer's accountability for assessing the validity of beliefs held as justified and by extension, regarded as true. Quantitative methods, turned to atomized propositions, give rise to independent, external reliabilism. I contend, however, that enquiry directed at social systems, where each element is component of a greater mosaic, and where conditions are (by virtue of the system's 'open-ness') unstable, that narrow enquiry relying on *ceteris parabus* conditionalism, gives rise to incomplete and hence inconsequential knowledge. This form of knowledge may be reliably true, but its usefulness to rendering social systems more productive, efficient and effective, is questionable. Conversely, where change is slow, such as with nominally open natural systems, atomizing the components of an ontological gradient of relationships is defensible and, for that matter, incontestable. However, the pressing urgency for deriving elevated understanding of social conundrums characterized by rapid change, obligates a more intrepid approach to conceptualizing relationships, querying them, and generating insights that will indulge informed manipulation of the system components and environment where an altered homeostasis is desired.

5.4 THE CONCEPTION OF A WORLDVIEW, OR RESEARCH PARADIGM

According to Overton, "A set of interrelated assumptions about the nature of the world is called a worldview" (1991, p269). Chilisa and Kawulich (2012) emphasise Kuhn's (early 1960s) interpretation of paradigms, as particular ways of thinking shared by scientists in a field of science. Schwandt (2001) regards paradigms as a shared world view, regarded to represent prevailing disciplinary beliefs. For Koltko-Rivera:

> *Worldviews are sets of beliefs and assumptions that describe reality. A given worldview encompasses assumptions about a heterogeneous variety of topics, including human nature, the meaning and nature of life, and the composition of the universe itself, to name but a few issues.* (2004, p3).

Worldviews, or paradigms, are regarded to contribute to research enquiry in that they regarded to inform both the researcher's approach and interpretation of evidence. In social science and interdisciplinary research especially, this represents acknowledgement of the intimacy of subject and object; of researcher as observer and hence participant in transformative research especially, and object of observation. Koltko-Rivera (2004) maintains that worldview not only contextualises research enquiry, but offers a keyhole through which to observe the researcher-observer. It echoes, without doubt, the repeated refrain that researchers interpret according to what they think they know, and what they think they perceive, both domains being subject to metaphysical uncertainty.

This is why Bhaskar (2008) maintains that scientists need training, to recognise this prospect for misinterpretation, and to practice the necessary reflexivity and openness to criticism that counter it. This is especially true of any 'non-atomistic' science. For natural scientists, or more correctly classical empiricists, "the valid content [of science] is exhausted by atomistic facts and their conjunctions" (Bhaskar, 2008, p17). However, as interpreted by transcendental idealists, "objects of scientific knowledge are … ideals of natural order … artificial constructs and although they may be independent of particular men, they are not independent of men or human activity in general" (Bhaskar, 2008, p15). Similarly, transcendental realism:

> *… regards the objects of knowledge as the structures and mechanisms that produce phenomena … These objects are neither phenomena (empiricism) not human constructs imposed upon the phenomena (idealism), but real structures which endure and operate independently of our knowledge, our experience and the conditions which allow us access to them.* (Bhaskar, 2008, p15).

As it influences the research documented in this thesis, the influence of business practitionership and scholarship have combined to establish my pragmatism, originating in my training and practical experience

in a business environment, but nevertheless aligned to the ontological and epistemological meta-theory of critical realism. This is a predictable alignment, for the critical realism to which Bhaskar alludes in the preceding paragraph and as elaborated hereunder, is explication of Kuhn's scientific revolution.

Determinism, experienced as event regularity, misleads scientists who do not countenance the prospect of awry events not explained by accepted general rules, understood as theory. As Bhaskar puts it,

> *... real structures exist independently of and are often out of phase with the actual patterns of events. Indeed it is only because of the latter that we need to perform experiments and only because of the former that we can make sense of our performances of them.* (2008, p2).

The objective of this sub-section is to explain the confluence of ontological commitments and epistemological preferability as Bhaskar's critical realism, establishing the pragmatist paradigm couching this research. Demonstrating this confluence must, however, be regarded within the greater context of worldview, for contemporary scientists hold neither intellectual preserve not priority over the 'beliefs and assumptions that describe reality.' It is here, where the certitude of authors such as Creswell, for example (2014), must be interrogated in light of Kuhn's (1970/[1962]) theory of paradigm shift in the theatre of scientific revolution. From this perspective, Levy (2016) asserts that paradigms pull together the strands of systems theory, information theory, non-linear dynamics, that can be leveraged to facilitate social development. For Burrel and Morgan (2005), distinctive paradigms are not only plainly defined by sets of meta-theoretical assumptions, they provide:

i. A frame of reference,
ii. A mode of theorizing,
iii. The methodological, axiological and aetiological preferences…

…of the scientists operating within the intellectual parameters of their particular worldview. This is a fundamental departure point: a paradigm represents commonality of perspective, while not implying a unity of thought process. A paradigm also represents a distinctive socio-scientific reality (Burrel and Morgan, 2005). For Keat and Urry (1975), cited by Burrel and Morgan (1979, 2005): "For individual scientists, the change of allegiance from one paradigm to another is often a "conversion experience", akin to Gestalt-switches or changes of religious faith" (Burrel and Morgan, 2005, p25). Almost five decades later, this refrain is echoed by Marsh, Ercan and Furlong: "… because they shape our approach, they are like a skin not a sweater; they cannot be put on and taken off whenever the researcher sees fit" (2018, p177).

It is astonishing therefore, in the face of this elevated regard of scientists' paradigms representing their personal doctrines that research pop-lit opinionistas can opine to early career academics that a worldview

represents a dialectical choice. Perhaps we are at the cusp of yet another scientific revolution? Perhaps the race to credential a cohort of young academics represents an inflexion point, a transition to be contemplated decades hence as a time where scholars expediently drew about them, a veneer of research respectability conveyed by oft-cited pop-lit introductory research methods texts explaining paradigms as defined orientations and methodological sets?

I hold that a worldview is less a matter of selection, than it is an evolution of thought in a socio-scientific domain. Socio-scientific, because we have come to accept that natural science must also be explored in a social context, from the perspective of sustainable livelihoods and non-renewable natural resource allocation and private exploitation of public goods. A scientist does not select for themselves a worldview - they grow into their paradigm, thence taking for themselves the doctrines, orientations and mantras of that group of intellectuals, paradigmatically so defined.

The prevailing contemporary paradigm argument, one which rejects positivism for post-positivism, and contrasts this with the worldview of constructivists, is an incomplete point of view. This is unsurprising. Burrel and Morgan (2005) point out that debates of the differences between sociological worldviews, typically a contradiction of regulation on the one hand, and radical change on the other gave way in the 1960s to introspective debate within schools of thought. These authors contend further that: "Sociological thought has tended to be characterised by a narrow sectarianism, from which an overall perspective and grasp of basic issues are conspicuously absent" (2005, p22). While Burrel and Morgan despair that sociological thought per se has all but abandoned considerations of anything other than the one dimensional subjective-objective argument, perhaps the meta-theoretical position of Critical Realism and the associated pragmatist worldview represent a timeous revolution in science. Perhaps it is appropriate to think of pragmatism as the leveraging of experience in undertaking research in the cause of elevating understanding and experience.

Kloppenberg recounts that "the early pragmatists sought to reorient philosophy away from interminable and fruitless debates by insisting that ideas should be tested in practice" (1996, p101). This perspective rejects knowledge as a consequence of spectatorship, placing subject and object in the same frame. Pragmatists, "rather than grounding values in the bedrock of timeless absolutes … urge us to evaluate all of our beliefs - philosophical, scientific, religious, ethical, and political - before the test considered the most demanding of all: our experience as social and historical beings" (Kloppenberg, 1996, p102).

William James, author of *The Meaning of Truth* in 1909, called himself an epistemological realist. Kloppenberg (1996) relates that James' explanation was to consider reality as independent of the need for philosophical treatment. Truth, therefore, arises from interpretation of subject matter relative to beliefs that

have “withstood severe test of experience” (Kloppenberg, 1996, p103). While, as Kloppenberg puts it, “we cannot test every proposition ourselves or into the immediate experience of others … we nevertheless have access to verifiable historical knowledge, even if only indirectly and through language” (1996, p104).

Ormerod (2006) interprets James’ conception of truth as “what reality compels human individuals to believe” (p893), adding that “truth, for James’ pragmatism, consists in useful ideas. Their utility may lie in the power they confer to predict experience or their encouragement of valuable emotion and behaviour” (p899). Ormerod from James (2007) as follows: “[a pragmatist] turns away from abstractions and insufficiency, from verbal solutions, from bad a priority reasons, from fixed principles, closed systems, and pretended absolutes and origins. He turns towards concreteness and adequacy, towards effects, towards action and towards power” (2006, p899).

Ormerod also points out that Dewey, another pioneer of the school of pragmatic thought, regarded knowledge as inseparable from action and was “tireless critic of economic injustice and oligarchy” (2006, p901). In the realm of political philosophy, Dewey argued the truth is less about substantiating the persuasion of a populous then it is about “the messy business of clarification, criticism and adjudication” (Ormerod, 2006, p902).

A thread of idealism is discernible in the preceding matter. If so, it is likely the consequence of the ideas of the pioneers of the pragmatist school of thought formed in the crucible of late 19th century post-Civil War America, an America characterised by the powerfully theological foundations of universities and colleges. There is, one can conclude, a transformative function inherent in pragmatism. An advocacy, couched in experiential and experimental critical creativity (Brodin and Frick, 2011), giving rise to fruitful consequence. However, the second half of the 20th century quietly but quickly demurred pragmatism as the chief late 19th century proponents, James and Dewey, fell silent. Protagonists such as Richard Rorty, Bernstien and Putnam were to take up the position of flag bearers for pragmatism (Kloppenberg, 1996). Kloppenberg concludes that “the pragmatic sensibility of James and Dewey was a profoundly historical sensibility” and that the “steadying lifeline of experience prevented [sic] pragmatists from sliding into fantasy, cynicism or self-indulgence” (1996, p106).

There can be no certainty in human endeavour. There is only dynamism, reactionism, equivocality and aberrance and in this shifting landscape, truth is akin to quicksilver. “Sharp, fixed distinctions of thought and reality are not reflected in nature, where one thing fades into another, one flows into another and the complexity of our thought is clarified only by theories that give tentative illumination to reality “ (Ormerod, 2006, p904). In this uncertain territory the pragmatic realist must balance the exploitation of experience with the ever present risks (of idealistic and subjective misinterpretation) associated with subjectivism.

However, pragmatism emphasises action as the foil by which experience is gainfully interpreted, according to Heelan and Schulkin (1998). "We need not discard our beliefs about the natural world, or our moral and political values, just because we realise we have made them, rather than found them" (Kloppenberg, 1996, p123), for "Pragmatism's "abduction" works with the dual perspectives of theory (as explanation) and praxis (as culture)" (Heelan and Schulkin, 1998, p269).

Finally, to further buttress my contention that pragmatism represents the natural progression of life path, experiences and training, Makkreel's interpretation of Kant is illuminated, emphasising Kant's distinction of man's physical, temperamental character, and moral character - what man makes of himself:

> *[According to Kant] a man either has it [character] or has no character at all. Individuals develop character in the morally relevant sense if their mode of thinking is derived from their own reason, rather than from without*. (Makkreel, 2015, p140).

5.5 ON METHODOLOGY AND METHODS

Research methodology, as interpreted in this discussion, represents the design considerations established by research purpose and desired outcome. Accordingly, this sub-section first documents the research purpose of this body of work. This is undertaken less as a statement than a motivation with supporting argument, to clarify the manner in which design considerations generally, are brought into acute focus for this particular body of research. This achieves a more purposeful relevance for the explication of methodological design considerations that follows.

Policy contemplation, policy setting, policy evaluation and ultimately policy review, can be expected to rest on the tenets of evidence-based decision making. However, a number of authors dispute this thinking, suggesting that policy is a function of ideology and election manifesto, except where there is strong democracy and institutions that can pressure politicans to contemplate policy better suited to achieving outcomes, than sustaining political hegemony and the resource allocation decisison that in South Africa, for example, two successive nationalist governments have taken unto themselves.

Weiss (1991) emphasises that:

> *... policy research, or any other kind of research is not going to determine the major direction of policy. Politicians and officals have ideological convictions and constellations of interests that largely set the course they steer. ... Policy research is a supporting player in the drama of policy making.* (Weiss, 1991, p38).

Hers is not the only reference to the potential futility of policy advocacy. The political correctness of the current era forbids the directness of Weiss' observations, rendered in the 1980s and 1990s. Carden (2009) is, however, no less forthright when he asserts that the global South can be precariously poised:

> *Firstly, policy design capabilities may be weak ... Second, good policy can be defeated by inadequate administrative, legal, or management capacity in execution ... third, implementation can be undercut by graft or incometence unchecked by sufficient monitoring or accountability.* (Carden, 2009, p5).

Carden also points out the ill-effects of cronysim:

> *... rule by insiderism and influence-peddling is a vice in any country, and it diminishes the prospects for research to influence policy. Researchers can compete in a policy contest of ideas, but not when the game is rigged by string pullers and special favours*. (Carden, 2009, p5).

The equivalent, reinforcing criticism of Thompson and Wissink (2018) has already been recorded (see chapter two, social policy), these South African authors attesting to insiderism, graft and incompetence and general influence-peddling, muddying policy ambition and execution. The point to be made, in view of this wellspring of criticism, is that this research represents a cogent and evidence-based attempt to:

a) argue the implausibility of the social development ambitions of the DSD,

b) demonstrate with data analysis the outcome of the DSD's social development modality,

c) ultimately establishing a foundational hypothesis for focused research to either

ci) debunk this contestation, or

cii) build momentum to pressure social development policy revision, more rationally attuned to the claimed, argued, defended and intuitively recognised imperative of market-focused business-government development intentionality.

Consequently, while specifically interrogating policy modality, this research indirectly represents an evaluation of social policy. Wollman (2007) distingushes ex-ante from ex-post policy evaluation,. The former is charaterised by pre-implemetation, anticipated impact forecasting and the evaluation which parallels the implementation of policy. Ex-post policy evaluation maps more closely to this research intervention, policy impact being measured (as the research undertakes), after the fact. "Ex-post evaluation constitutes the classical variant of evaluation to assess the goal attainment and effects of policies and measures, once they have been completed" (Wollman, 2007, p394). There is merit in highlighting Wollman's assertion, for this research leans toward ex-post evaluation of social development policy. The

research is framed as evaluative investigation of South African social policy as alleged developmental mechanism. Within this purview, it is usefully productive to assess the theoretical design considerations relevant to undertaking this evaluative research enquiry.

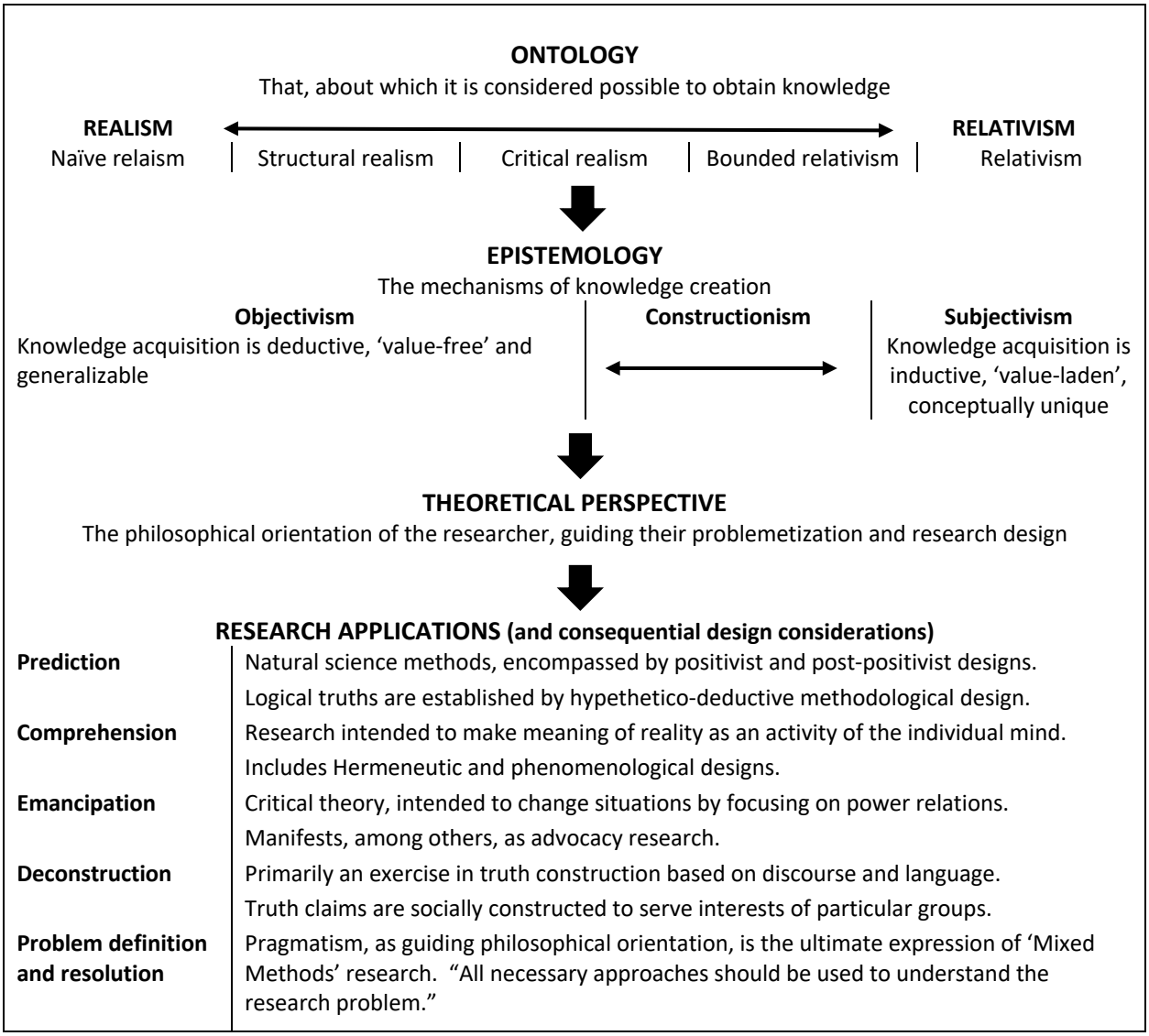
> *First, it* [policy evaluation] *was meant to produce an assessment about the degree to which the intended policy goals have been achieved ("goal attainment"). The conceptual problems following from this task revolve around the* [sic] *conceptualising the appropriate, if possible measureable, indicators in order to make such assessments of goal attainment. ... Second, the evaluation of policies and programs was also expected to answer the (causal) question as to whether the observed effects and changes have be really* [sic*] causally related to the policy or program in question.* (Wollman, 2007, p394)

In distinguishing what he refers to as the selection of a research approach, Creswell (2014) does not adequately distinguish research design from research approach. He regards the selection of a research approach to be a function of "… the philosophical assumptions the researcher brings to the study; procedures of enquiry (called research designs); and specific research methods of data collection, analysis, and interpretation" (2014, p3). Correctly claiming research approaches to encompass qualitative, quantitative, and mixed methods of enquiry, he regards research design to be either qualitative, quantitative or mixed methods designs. He then moves to detail quantitative designs as either experimental or nonexperimental, qualitative designs as potentially phenomenological, ethnographic or narrative designs, while mixed methods designs can be convergent, explanatory, exploratory, transformative, embedded, or any combination of these.

Creswell elects to elevate the conception of research approach to a primacy, subordinating worldviews, the research problem, research methods, researcher experience, and research design, to a conflated soup of contributory components of the researchers overall approach. I am inclined to embrace more readily, the hierarchical conception of Moon and Blackman (2014), depicted in figure 5-3.

Moon and Blackman's interpretation raises meta-theory to preeminence and they claim as theoretical perspective, the philosophical orientation of the researcher. Theoretical perspective in this depiction, relates most closely to Creswell's research approach. However, for Moon and Blackman, theoretical perspective is a matter of leaning towards deductive, generalisable, and value-free as they put it, knowledge acquisition, or the dimensional extreme of value-laden, contextually unique and inductive knowledge acquisition. The former is generally reliant on quantitative methods, the latter upon qualitative methods, hence my mapping of their theoretical perspective to Creswell's research approach.

Figure 5-3: A modified depiction of Moon and Blackman's hierarchy of meta-theory, theoretical perspective and research application



Source: Adapted from Moon and Blackman (2014).

Moon and Blackman maintain research design to be a function of the application to which the research is directed: prediction, comprehension, emancipation, deconstruction or any pragmatically necessary or indicated combination of these. While each of these designs manifest as an orientation, leaning toward quantitative, positivist enquiry or toward interpretivist, qualitative enquiry, Creswell does usefully point out that: "Qualitative and quantitative approaches should not be viewed as rigid, distinct categories, polar opposites or dichotomies. A study *tends* to be more qualitative than quantitiative, or vice versa" (2014, p3, original emphasis).

Moon and Blackman's interpretation of research approach, especially positioned as they depict as hierarechical element, is constructively informative. Cooper and Schindler (2003) for example, elect to differentiate formal research from exploratory research. In their interpretation, exploratory research serves little role other than to define elements for what they deem formal research enquiry, whereupon the researcher undertakes either quantitative or qualitative enquiry. These authors, in conjunction with Blumberg (Blumberg, Cooper and Schindler, 2005) clarify this distinction as being one of "the degree to which the research question has been crystallized" (Blumberg, Cooper and Schindler, 2005, p128). Tellingly absent from their descriptors of research designs is any reference to qualitative or quantitative research or any combination of what is essentially, as established, an epistemological distinction based on an ontological reference. They also distinguish, on matters of topical scope, case studies from statistical studies.

This assertion of topical scope, together with the reference to research design generally, is a shallow depiction of design. Research design is a function of research objective purpose and is constituted according to researcher orientation (a 'skin' into which the researcher has evolved, not an instrumental 'sweater' drawn on to suit the fashion of an enquiry), and intended contribution to the knowledge commons (akin to Moon and Blackwell's research intentionality: prediction, comprehension, emancipation, deconstruction or the all-encompassing pragmatism of the critical realists).

In similar vein, research methods are a function of research design. Quantitative methods form the spine of positivist methodologies, qualitative methods of interpretivist methodologies. Straddling these extremes, realist methodologies do not necessarily privilege either quantitative or qualitative methods, leveraging value from both positivist and interpretivist methods, as befitting the research enquiry.

Research is reasonably universally and commonly understood to serve either one, or a permutation of three purposes: exploration, description and explanation. Methods and instrumentation are consequently devised and administered to generate ideas, insights and improved understanding of a situation, or description of a population or phenomenon, alternatively the nature of the relationship between identified cause and effect variables. Again, pragmatism unapologetically straddles all three purposes, the overarching ambition being to resolve the identified dilemma. Pragmatist research is, as has been established, holistic in scope relative to the atomisation of positivist research in particular and purposefully more reflexive than the inevitable subjective interpretation of hermeneutic research.

As it suits this research enquiry, the determination of methodological design can be expected to reflect these considerations: the philosophical orientation of the researcher, manifesting as critically realist pragmatism; and a research purpose encompassing an intended advocacy, lobbying and agitating for revision and

restatement of social development policy. Complexioning this design, are the axiological and aetiological considerations of value thinking, and logical reasoning respectively. The contribution of these elements is discussed in the following two subsections.

5.6 ON AXIOLOGY: THE INTERSECTION OF VALUES, INTERPRETATION AND RHETORIC

Policy research falls, according to Weiss (1991, p37) into three categories: "(1) data and findings, (2) ideas and criticism, and (3) arguments or briefs for policy action." Weiss agitates for advocacy, regarding the evidence to suggest that policy research effort is rewarded by campaigning for policy revision. She does, however, acknowledge that taking up a policy-revision cudgel on behalf of what one must consider as the group most prejudiced by extant policy, poses an ethical conundrum, if not dilemma, inasmuch as the researcher must resist the urge to massage the message to build momentum for their preferred and advocated position.

Weiss concedes "There is something uncomfortable in the thought of abandoning the norms of objectivity that characterize a science and embracing a notion of advocacy more suitable to an interest group or lobbyist" (1991, pp37-38) but simultaneously points out that positivism had already at the time she expressed discomfort, given way to a grudging acknowledgement of the merit of examining and interpreting social phenomena, with trained insight. However, aggressive lobbying reconciles with great difficulty, advocacy and the notion of the professionally aloof commentary expected of scientists.

As the contribution to the knowledge commons this research represents is contemplated, my commentary must not only be emphasised as professionally aloof, the substantial body of science that both acknowledges and elevates the role of researcher value judgement must be made prominent. The rider, of course, is that that this is clearly explained and openly declared. Placing researcher values in context therefore serves as the primary objective of the following sub-section.

5.6.1 The intersection of values

It appears that many management scientists persist in the post-positivist quantitative enquiry they regard as prime objectivism. However, this emphasis reduces enquiry to numerical analysis of what is, for the greater part, a matter of human interaction. While Epstein (2018,), for example, acknowledges that social ontology cannot be defined with precise scope, he nevertheless points out that "entities investigated in social ontology include money, corporations, institutions, property, social classes, races, genders, artefacts, artworks,

language, and law." This research interrogates these themes, especially the leverage exerted over civil society and thereby over citizens, by state institutions, the focus of this research being the DSD.

Sousa (2010, p490) adds to the debate. He emphasises that "All human knowledge (not only scientific) is partly a social construction. Knowledge is always 'situated', bearing the marks of its social origins and molded by the social background of knowledge's proponents, adherents, and even fiercest contenders." Sousa adds that:

> *Although scientific knowledge is (like any other knowledge) "value laden," it is not necessarily "untrue" or subjective. Overly subjectivist conception of values is a prominent presumption of positivism. It is not the case that one has either some "pure," value-free, objective science or instead the complete absence of science, that is "purely subjective" opinion, fiction or fantasy. That knowledge claims are epistemically relative (i.e., partly shaped by social and cultural backgrounds) does not mean one has to accept judgmental relativism and thus assume that it is impossible to differentiate between "better" and "worse" (or more and less practically adequate) knowledge claims.* (Sousa, 2010, p491).

Mingers and Standing (2017) challenge the righteousness of the hypothetico-deductive research rationale (where epistemic claims are regarded as deductively and atomistically finite). They point to the thesis of Durand and Veera (2009, see Mingers and Standing, 2017, p2) who differentiate the paradigmatic distinctions of causation. As it impacts this discussion, Mingers and Standing (2017, p2) explain Durand and Veera's contention that constructivists regard management research as "more concerned with interpretation than explanation and therefore talk of external causes is somewhat spurious", while critical realists regard "the interaction of powerful mechanisms" (p2) as source of generative causality. Positivists, however, hold that "causation concerns empirically generated laws based on constant conjunctions of events" (p2). Mingers and Standing extend Durand and Veera's thesis, developing their "mechanisms view of causation … based on the idea that the events we observe and experience are generated through the complex interactions of generative mechanisms (or systems) that have causal powers or tendencies" (Mingers and Standing, 2017, p2). It follows, that these complex interactions represent points of intersection, hence potential points of conflict and contradiction. Positivist science and insensitive administration of quantitative methods, can do little to unpack generative mechanisms, "for example social structures, organizations, ideas, observations and so on" (Mingers and Standing, 2017, p2).

Biesta (2015) highlights the gap between objectivist and subjectivist scientists' pursuit of knowledge. He argues that the former view enquiry "as an activity or practice that is ultimately understood as being governed by cause-effect relationships (albeit that the complexities of those relationships may not yet have

been completely unravelled)" (2015, p12). At pains to avoid setting the one group off against the other, he interprets social science to be the study of the "human event of communication, meaning making and interpretation in which questions of cause and effect actually have no place" (p12). Biesta argues that deliberate human endeavour can be evaluated in terms of purpose, motivation and interaction, ranking the purpose of endeavour as fundamental, hence material to the motivation of the human participants and the nature of the interaction. Undertaking an evaluation of human endeavour, whether it be of education, health or interventions ostensibly intended to pursue social development, is consequently a value judgement.

McMullin, writing over thirty years prior to Biesta's observations, notes that while "There is no reason to think that human emotionality is a trustworthy guide to the structures of the natural world … the notion of value which is implicit in much recent social history of science, as well as many of the analyses of the science-ideology relationship, is clearly that of emotive value" (1982, pp4-5). Harvey and Myers (1995) point out that a decade prior to their own observations, authors such as Lyotard (1984) and Lyotard and Thebaud (1985), chronological compatriots of McMullin, had emphasised that knowledge acquisition and creation is a social process. Harvey and Myers observed that both scholars and practitioners strive to develop knowledge, with scholars in particular seeking to defend the validity of what they propose as true knowledge. The quality assurance practised by practitioners, represents what may be referred to as 'assuring validity'. Harvey and Myers point out that practitioners who supply invalid data or execute action based on unreliable knowledge are unlikely to retain their consulting mandates in the long term.

We gather therefore, that legitimacy consequently arises both from and through a shared understanding of method and procedure that is exercised by scholars and practitioners. The breadth and depth of the practitioner's field of practice suggests that it is immediately invalid to develop knowledge from a positivist stance. To attempt rigid interpretation of mandate, immutable specification of scope of work and inflexible work process, is conceptually and practically at odds with the nature of enterprise and enterprise work process.

From the observations of McMullin, Lyotard, Lyotard and Thebaud as regarded by Harvey and Myers, Harvey and Myers themselves, and more recently Mingers and Standing, it does not seem unreasonable to interpret that, epistemologically, the preferred way of knowing or coming to know must be one that acknowledges and embraces a critical realism. Harvey and Myers (1995, p15) recommend compromise: "a more appropriate consideration of research methods can dispel some of the conflicts in the moral order of … researchers, allowing for the development of knowledge generation approaches which are appropriate to both scholars and practitioners." The authors suggest a "need to bridge the gap between scholarly knowledge and practical knowledge in … research"(p16). The authors' pont is interpreted thus: social context and organisational context are dynamic, changing rapidly relative to principle. Researchers must of

necessity remain 'plugged into' sociality, lest they forfeit their claim to validity, practicability, utility and hence relevance.

This interpretation in and of itself, suggests a value orientation. It is overtly pragmatic, and declaratively and recognisably, the value predisposition and orientation of Critical Realism. Sousa maintains "For critical realists, the deployment of metaphors and analogies in scientific knowledge is unobjectionable, as admissable as that of logic and even quantitative techniques" (2010, p490). Fleetwood (2014), a critical realist, exhorts researchers to recognise how values manifest in organisations (as mechanisms) and their employees/agents (all of whom exert a degree of agency upon these mechanisms). While it is not Fleetwood's primary motive, his ontological interpretation of the structures and mechanisms that form the stuff of organisation studies, signals the axiological imperative essential to cogent interpretation of structural complexity. He comments that critical realism specifically embraces the simultaneous distinctions between "conscious (deliberative) and unconscious (habitual) action" (Fleetwood, 2014, p214) inherent in perpetuating organisational structures and mechanisms, and similarities between "structures, mechanisms, rules (etc.), laws, and regulations, treating them as a different class of phenomena than the agents who reproduce or transform them" (p214).

A researcher is simultaneously a value-laden structural agent (reproducing and/or transforming structures) and value-laden (yet reflexively aware) observer. Given the intimacy of my interaction as practitioner with the field of practice in which this research is steeped, I contend that this has led to both conscious and unconscious transformation and reproduction of the social structures and mechanisms, customs and artefacts, associated with sustaining a social venture independently of comprehensive state assistance, whilst remaining acutely dependent upon formulaic state contribution to NPO operating costs. The foremost issues in this circumstance, are necessary self-awareness and reflexivity to counter bias arising from the apparent familiarity, as well as considered criterion deliberation to establish a defensible value-judgement structure by which to interpret the evidence.

According to Attia and Edge (2017), necessary reflexivity helps "researchers grow their capacity to understand the significance of the knowledge, feelings, and values that they brought into the field to the research questions that they came to formulate, to the analytical lenses that they chose to employ, and to their findings" (Attia and Edge, 2017, p35). These authors claim that "For someone to be accepted as a researcher, the academy requires certain levels of knowledge and skill, along with certain attitudes towards care and ethical values" (2017, p34) adding, with respect to the researcher's values, that "Rather than seeing such influences as potential contamination of the data to be avoided or allowed for by achieving competence in an appropriate methodological procedure" (p35), that the the researcher grows from the experience of blending their values with the values encountered in the conduct of the research enquiry.

This suggests, as Attia and Edge point out, both a prospective and a retrospective reflexivity. Prospective reflexivity references the sensitivity and acountability of the researcher in conducting the enquiry. These authors' conception of retrospective reflexivity, is reference to the self-developmental nature of, in particular, social enquiry. That early pragmatist, James Dewey, phrased it thus:

> *When we experience something we act upon it, we do something with it; then we suffer or undergo the consequences. We do something to the thing and then it does something to us in return. Such is the peculiar combination. The connection of these two phases of experience measures the fruitfulness or value of the experience.* (Dewey, 1997 [1916], p139).

5.6.2 Interpretation: value-laden value-judgement, and the intension of a thing

Acknowledging one's research as value-laden, is ethically necessary. Yet, this acknowledgement camouflages the quintessential point: that a value-laden researcher must undertake value-judgement, with care and sensitivity. This is, fundamentally, the crux of axiological commitment in research: the value judgement of the researcher, interpreting the rich data that abounds in the embroidered tapestry of insider's experience of state selection and deployment of NPOs in the cause of what the state regards as social development. The researcher values prompting this judgement must be fit-for-purpose, necessarily contributing to the research a level of skill and insight, that denotes a likely satisfactory enquiry outcome. Not only must this satisfy the criteria of sensitivity, responsibility, accountability, and non-partisanship, but sufficient contextual appreciation and knowledge must be simultaneously demonstrated to ensure a thorough enquiry. This means scouring out the necessary richness of detail that, especially with social phenomena, enables a level of perception that goes beyond that which is obvious to the casual observer, and the unskilled and/or uninformed researcher.

McMullin (1982) reported that at the time of his observations "the making of value judgements is an essential part of the work of science" (1982, p3). He also remarked that a scant thirty years prior, furore had been predicted by one Richard Rudner in 1953 as a consequence of his (Rudner's) "claim that science is value-laden might no longer even seem controversial" (McMullin, 1982, p3). McMullin painstakingly emphasised the distinction, however, between value judgement and value clarification. The latter term is reference to the declaration of one's values, while the former is a cognitive function. "When the value of something is determined by one's attitude to it, the declaration of this value is a matter of value-clarification, rather than of judgement, strictly speaking" (McMullin, 1982, p4). If one's values are not clarified, the danger to science is the extent to which improperly or inadequately declared values prejudice the interpretation demanded by the research purpose. Prejudiced conclusions that are camouflaged by opaque metaphysical value clarification do not contribute to the knowledge commons. For McMullin, this is a

distinction between valuing (the value perceived by the researcher to exist in a thing) and evaluating (the value contribution of a thing as assessed and communicated by the researcher). The offence taken by objectivistic science was, for McMullin, not in the measurement of value, but in undertaking such measurement in the absence of defining the characteristics by which the object was to be evaluated as 'good', or 'bad'.

More appositely, however, McMullin introduced in the early 1980s a powerful contention, arguing that value-judgement "does play a central role in science. Both evaluating and valuing are involved. The attempt to construe all forms of scientific reasoning as forms of deductive or inductive inference fails" (1982, p6, emphasis in the original). Aside from the apparent, or at least claimed capacity for critical realism to embrace both evaluating and valuing, the point to be made is that a substantial volume of opinion has steadily advanced a view that social science research must of necessity, not only acknowledge but actively embrace, value laden enquiry.

If we are to proceed with the understanding that quantitative research (even if of necessity in the post-positivist paradigm, and then perhaps grudgingly so) productively accommodates value-laden enquiry, then it is essential to elaborate not only upon the researcher's value-clarification, but also their value-judgement.

> *A mere glance at the history of philosophy shows how deeply man has been preoccupied with the nature of values. The notions of good and bad, right and wrong, beautiful and ugly are as old as the real and apparent. Valuational preferences not artifacts we can dispense with. Inquiry into the claims, truth, and validity of value judgements is a necessity of life itself.* (Hart, 1971, p29).

To Perry, in 1926, reports Hart, value could be defined as interest, "a necessary condition for anything's possessing or acquiring the quality of value … Perry realised that value cannot be treated as a mere quality of an object nor as a mere mental quality of the subject. Value is a relation between an object and an interest-taking subject" (Hart, 1971, p31). However, there is a difference between the subjective interest anything and the imputation, objectively, of the value of a thing. Objective imputation of value, or value-judgement, is the outcome of determining the characteristics of an object, mechanism, system, aretefact, and evaluating the extent to which the characteristics are indeed present. (Hart, 1971, Hartman, 1967).

> *Value thus, may be defined both as meaning and as richness of properties. As thing has value in the degree of its richness of properties; and it has dis-value in the degree of its poorness of properties. The definition of value, thus, may be stated logically as follows: A thing has value in the degree that it fulfils the intension of its concept.* (Hartman, 1967, p39, original emphasis).

Intension, representing the complete set of properties of an object (or mechanism, or system), is a normative standard for 'complete value', by which it is intended to convey that the evaluated object has all of the properties by which it would be defined as 'good'. Accordingly, where a subset of properties is not present, then the object may be regarded as 'fair', or 'average'. Where all of the properties, all subsets, are absent and the object cannot in any way fulfil its intension, it would be adjudicated as nothing other than 'bad' (Hartman, 1967).

From this marvellous combinatorial calculus, as Hartman calls it, it is inferred that this research enquiry must of necessity incorporate the derivation of a set of considered criteria by which social development policy, as executed by state mechanism, can be adjudged as fit for purpose – as substantially, satisfactorily or inadequately fulfilling its intension. Wrote Hart in 1971: "… A better knowledge of human nature, and intelligence in appraisals are the best methods in ascertaining true values" (Hart, 1971, p40).

5.6.3 Rhetoric: the patterns of claim validation in research reporting

Immersion in a target community's rhetorical patterns seems a reasonable way to assure accommodation, if not acceptance by that community. However, what is the community to which the thesis this research represents, is to be introduced: practitioners, or scholars? If the latter, management scientists, social workers, or policy makers?

My declared epistemological intention is to contribute to the knowledge commons and in so doing, I must classify and arrange, within the existing frame of reference, the new ontology. I am re-shaping the ontology at the current time. Generally, the better one does this - the more 'persuasively', lucidly, coherently, appealingly, the better one's chance of convincing one's peers and the general community. Should I achieve this, I would have made a contribution that will potentially ease lives, persuade contextually relevant practice, and elicit a scholarly and community response.

In James' 1907 text *Pragmatism*, reports Kloppenberg (1996, p104, emphasis in the original text), he wrote that "all truth thus gets verbally built out, stored up, and made available for everyone. Hence, we must *talk* consistently, just as we must *think* consistently." Kloppenberg also recounts James' view of "communication as a prerequisite to undertaking social action" (1996, p105). This is consistent with Brodin and Frick's (2011) position of enunciated critical creativity in doctoral education.

According to Rorty, reports Kloppenberg (1996), the subjectivity of experience does not render it relative. Relativism only arises when the researcher's purpose is unclear to readers and the researcher's linguistic convention - the means for communicating interpretation and output - is misinterpreted or misread. Again, this is akin to Brodin and Frick's contention of enunciated critical creativity.

Braidwood and Sallinen (2010) contend that quantitative and qualitative research exhibits a particular textual manifestation, in the reporting thereof. They argue the basis for this distinction as the unique macro-structural form of the two broad methodological approaches, with quantitative research reports following a clause-relational pattern as:

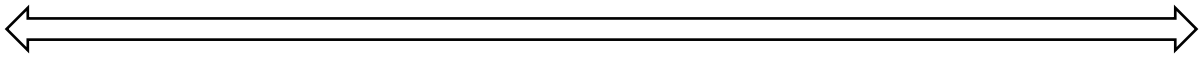
Hypothetical evaluation (of a causal relationship) → Evidence (via experimentation) → Conclusion

Whereas qualitative research reports follow a distinct pattern:

Situation → Evaluation and interpretation

The authors claim quantitative research to embrace argumentation, while qualitative research presents the research interpretation for the readers' determination. This interpretation is disputed as a general rule, especially so from a pragmatist perspective. The authors' results in fact demonstrate that both forms incorporate persuasive rhetorical usage. However, their contention usefully serves to distinguish the textual form, or manifestation, of the rhetoric of quantitative and qualitative research reporting as one ranging from statement of fact, "assertive speech act with the illocutionary point of 'saying how things are'" (Braidwood and Sallinen, 2010, p61), to the dimensional opposed extreme of attitude expression. Their truth value scale is depicted in figure 5-4.

Figure 5-4: Truth value scale, illustrating textual manifestation in research reporting

Statement of fact	Evaluation-basis	Evaluation supported by reference	Evaluation supported by concurrent self-reference	Subjective inferential evaluation	Interpretation	Subjective value evaluation	Expression of attitude
							
Propositional statements communicating general truths or common knowledge, definitions and procedural description.	Argumentative sequence where a claim is supported by evidence.	Reference to previously published research, being established means of persuasion and validation in the scientific community.	Statement of finding with reference to methods, data, etc. of the study that produced the finding.	Subjective evaluation of the relationship between phenomena (needs a basis to be established as factual knowledge).	Subjective evaluation of the meaning of an utterance (requires a basis to become an established fact).	An opinion whose truth value is not relevant.	A valid statement of the state of mind of the research report author(s).

Source: Adapted from Braidwood and Sallinen (2010, p61).

Davis (2016) persuasively communicates the relationship between quantitative and qualitative research methodology and reporting. She points out, simply, that "a published study may include … interpreting

the meaning of both numeric and non-numeric data" Davis, 2016, p2). While there is little novelty in the statement, she discriminates between qualitative studies where the objects of study are texts and symbols, compared to studies where the object of study are people and practices.

Consequently there arises a broad distinction between what amounts to methods of rhetorical criticism, as one would employ to assess meaning in texts, symbols and other artefacts, and critical participatory rhetorical methods, as one would employ in ethnographic and phenomenological studies. Materially as it impacts my body of research, Davis also renders distinct how rhetorical criticism is the methodical form employed in studies of power relationships and social justice relationships, compared to the participatory rhetorical methodism characterising qualitative research involving participant data subjects.

However, this discussion must return to the rhetoric of research reporting, and there remains a final point of clarification. "Academic research writing for publication is a high-stakes endeavour in which personal and cultural identities, social ties, institutional status, and money are in jeopardy. Vigorous dialogues regarding the aims, means, values, and possible effects of this work are important" (Lawrence, 2014, p98). As may be expected, my doctoral journey reflects Lawrence's intimation that my personal and cultural identity, social ties and institutional status are in flux. This report, secured in my institutional digital repository, pledges me in perpetuity to my meta-theoretical commitment, including rhetorical form.

Lawrence points to "basic rhetorical moves" (Lawrence, 2014, p98), arising as "Swales' general outline of quantitative research texts in the natural and social sciences,'IMRD' (Introduction, Methods, Results, Discussion)" (p98). Her contention, broadly, is that qualitative research reporting demonstrates particular "rhetorical functions and conventional structure of particular sections of qualitative research articles, like the literature review and methodology sections, which also appear in other research genres, including conference presentations and dissertations" (p98). Building on Swales, Lawrence proposes alternative heuristics for conceptualising the rhetorical form of research writing. Of significance, is her 'PAGE' form, of Purpose, Audience, Genre, and Engagement. Lawrence's rhetorical principles are depicted in table 5-1.

To the extent that institutional convention indulges the obsrvation of these principles, representing as they do a contradiction to what some readers may regard as a researcher presumptiousness, Lawrence's rhetorical principles have been observed in the construction of this report, and the selections over which I have laboured in determining how best to achieve the goals of my emancipatory agenda. While my preference for example would be to make use of a first-person narrative throughout, I am obligated to respect the contrary view that this is both presumptious and conventionally incongruous.

Table 5-1: Lawrence's PAGE rhetorical heuristic

	Broad rhetorical functions	Specific questions for the report author
Purpose	What effects do I want this to have on my target audience	• What *contributions to my field* do I want this text to make? • What is my *explicit rhetorical agenda* for this text? (Which of my aims for the sticks will strategically share with my target audience)?
Audience	How might I appeal to my target audience?	• How might I relate my *enquiry* to enduring research goals of my target audience? • How might I relate *my values and their impact* to the values of my target audience?
Genre	What is the nature of my report/text?	• In what ways might this text work *with* rhetorical conventions of this kind of text? • In what ways might this text work *against* rhetorical conventions of this kind of text? • What ways might this text work *beyond* rhetorical conventions of this kind of text, inventing new ways of writing?
Engagement	What effects might writing and publishing this text have on me, the writer?	• What *intellectual work* might writing and publishing this text entail for me? • What *emotional and ethical work* might writing and publishing this text entail for me? • What *social and political work* might writing and publishing this text entail for me?

Source: Reproduced with revision from Lawrence (2014, p105).

Finally, Lawrence offers a "second heuristic, Problem Posing, Problem Addressing, Problem Posing" (2014, p106), intending that it provide a means of clarifying rhetorical strategy for qualitative research authors. It rapidly becomes apparent that this is broadly representative of the currently prevailing conventions of reporting in management science, as can be seen from the reproduction of this heuristic in table 5-2.

There seems to be little reason not to adduce that research reporting demonstrates a tendency to coincide, as natural scientists and social scientists find common ground in the empirical interrogation of both objects and subjects, of events and mechanisms. This coincidence has shaped the adoption of so-called mixed methods research. Given the sometimes slavish adherence to what is simplistically termed 'triangulation', perhaps it is preferable to think of it as the critical realist's pragmatic position on 'doing whatever it takes' to conceive, originate, execute, and close out research enquiries that seek to secure solutions, and not fixedly replicate corroborative event-regularity investigation.

Table 5-2: Lawrence's Problem Posing, Problem Addressing, Problem Posing rhetorical heuristic

Broad rhetorical function	Major sections of qualitative research articles
Problem Posing (based on previous studies)	• Problem Statement • Plan • Literature Review • Research Questions
Problem Addressing (through the current study)	• Theoretical Framework • Methodology • Findings • Discussion
Problem Posing (based on the current study)	• Implications • Conclusion

Source: Reproduced from Lawrence (2014, p109).

5.7 ON AETIOLOGY: EXPLANATION AND CAUSALITY

Is state practice contestable? If we assume the position that it is not, then we will, or have already, succumbed to ideological and political dominion. If we assume that it is, then we must raise to prominence the objects of contention, subjecting them to public scrutiny. While this is not solely the prerogative of scholars, they must nevertheless honour their responsibility to serve the larger public as advocates for desirable social change substantiated by evidence and reason.

Quoting Lippman (2002 [1927]), Marres articulates what is arguably the emancipatory *raison d'être* for this research:

> *Lippmann proposed that an opportunity for public involvement in politics is opened up by the emergence of controversy: when problems arise that prove resistant to definition and settlement by established knowledge and institutional procedures: 'Government consists of a body of officials, some elected, some appointed, who handle professionally, and in the first instance, problems which come to public opinion spasmodically and on appeal. Where the parties directly responsible do not work out an adjustment, public officials intervene. When the officials fail, public opinion is brought to bear on the issue'.* (Marres, 2007, p767)

Have the parties worked out an adjustment? Have public officials intervened? Have the officials failed? If so, is it not then pertinent to bring public opinion to bear on the issues? While the design of this research effort is recorded in the next chapter, it remains in this account of the meta-theoretical considerations of the

research generally, to account specifically for the aetiology, the explanatory lever, by which explanatory account is leveraged off the fulcrum of evidence produced by data and analysis.

If prominence and combatant debate is to be shifted from committees and parliament to the street, then focus must be brought to bear on the issues. The treatment of these issues by state-inspired and directed intervention must be problematized. The impact of state intervention must be evaluated and the veneer of what could ultimately be revealed as chicanery, must be stripped to enable wider social debate. Quoting Dewey (1991 [1927]), Marres assists in pointing out that:

> *The public consists of all those who are affected by the indirect consequences of transactions, to such an extent that it is deemed necessary to have those consequences systematically cared for … This supervision and regulation [of these consequences] cannot be effected by the primary groupings themselves. … Consequently special agencies and measures must be formed if they are to be attended to.* (Marres, 2007, pp767-768).

This research represents the formation of a measure, if not to commence then to accelerate interrogation of the quandary framed by the research: that state contracting of civil society to perform state functions is a dense conundrum, opaque for the greatest part and cumbersome as consequence of state process and procedure. This research problematizes what may amount to the misdirection of public funds, an issue arising out of the trumping of outcome by ideology. Again borrowing from Marres, for she puts it so well:

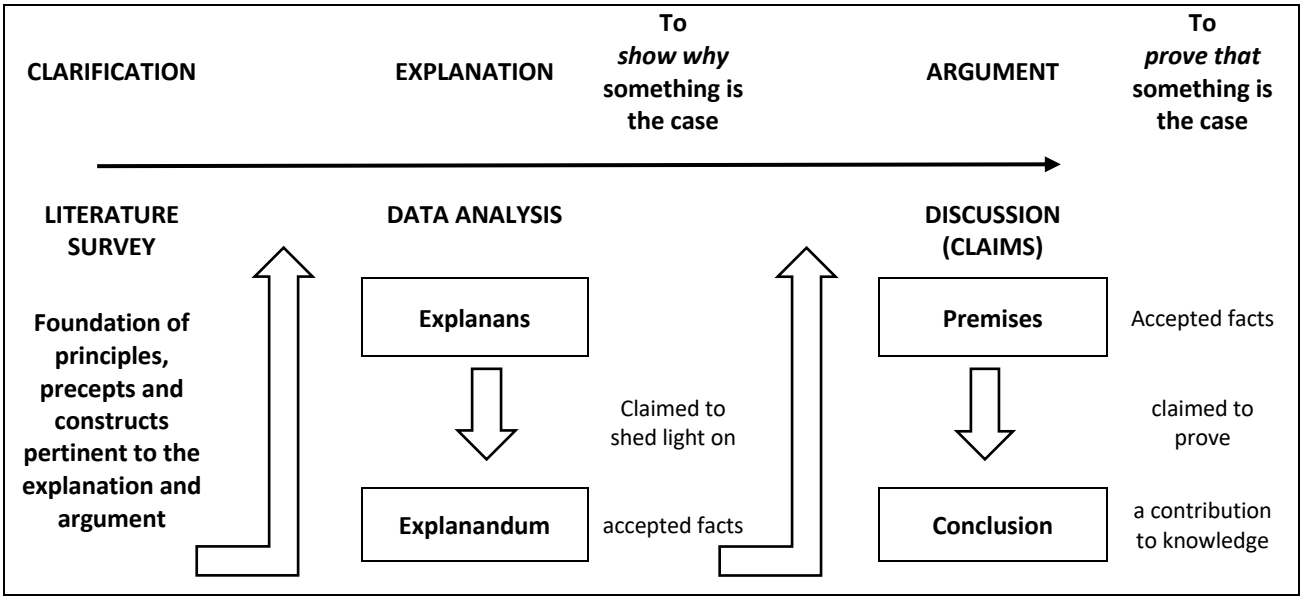
> *… the distinctive affordances for public involvement must … be described, not only in terms of their capacity to add inclusivity and accountability to political dealings with issues, or to transform people into citizens. These arrangements must also be appreciated for the way they facilitate a distinctive articulation of issues, as matters of public concern.* (Marres, 2007, p776).

Distinctive issue articulation is, however, a matter of reasoned, substantiated argument. Argument goes beyond explanation, which seeks only to make sense of events, making no attempt to prove them (Hurley, 2015). It is therefore more correct to contemplate the dialectic exposition undertaken by this thesis, for example, as a sequence of discourse, commencing with clarification (providing reference for propositions and premises), proceeding to explanation (interpretation of evidence, obtained through data analysis) and finally to argument (factual, theoretical and conceptual conclusions drawn from the evidence). This flow is depicted in figure 5-5.

If one proceeds in discourse from facts to precepts (as accepted justified true beliefs), thence from precepts to premises, and finally from premises to conclusions, one is attempting to establish the change that has occurred in something (Shoemaker, 1980). This change exhibits as an effect, the isolation and identification

of the cause of this effect being the researcher's goal. Schmaltz (2014) points out that while causality is regarded by many as a function of event regularity and probabilistic dependence, 18th century philosopher Hume's interpretation continues to sound as an interpretation of belief in causation, rather than, "as is more common today, directly on the metaphysical nature of causal relations" (Schmaltz, 2014,). The three features by which Hume construed causality are underlined by Beebee (2016): contiguity, temporal priority and constant conjunction.

Figure 5-5: The sequence of argument



Source: Author, adapted and modified from Hurley (2015, p19).

By contiguity, Hume is understood conventionally to regard causes and the consequential effects to follow each other in space and time. In all cases effects are preceded by causes. The chief (positivist/idealist) criticism of this assertion, is that while events might be contiguously and chronologically related, it does not automatically follow that in the study of any two events that the first event is cause of the second. Temporal priority is reference to the immediacy of precession, of the cause event relative to the effect event. By constant conjunction, we are led to understand that what is commonly referenced as event regularity, represents causation as 'law' (Psillos, 2002), perhaps more easily understood as the 'true premises' by which reasoning proceeds. Fleetwood (2014), a critical realist, cautions that tendencies must also be construed as 'causation laws' – he reasons that 'event irregularity' "gives rise to probabilistic (or stochastic) law … [a conception] also rooted in the regularity view of causation" (p196). Beebee (2014) affirms that numerous authors (among which, Fleetwood is just one example) have contradicted Hume's contentions,

especially that of constant conjunction, and that our understanding of cause and effect is a conceptual interpretation and not a wholly foundationalist conception.

It is recorded that Hume criticised *a priori* inference, regarding as unreasonable, any attempt to draw conclusions about a future, contiguous, subsequent event. However, he also determined that where contiguous, successive events have previously occurred (demonstrating what we refer to as event regularity), then by virtue of a posteriori reasoning we are able to assert our predictive conviction. Beebee (2016) is at pains to emphasise that Hume's view of causation has spawned an interpretative controversy, with some understanding causation is an abstraction, while others contest connection and precedence more literally, as instance of causation. She is inclined to the former view, regarding our judgement of causation to arise as a consequence of cognitive mechanism (Beebee, 2011), ultimately concluding a degree of imprecision in Hume's articulation having given rise to a degree of indecision in scholarly interpretation of Hume's views on causation. Schmaltz relates this abstraction as "the mental expectation that an effect will follow from its cause" (2014,) and regards this to represent a distinction from "more recent attempts to reduce causality to, for instance, regularity or counterfactual/probabilistic dependence" (2014,).

Shoemaker (1980) builds on the Humean argument for causality's three features of contiguity, precedence and constant conjunction. He insists that the features regarded by philosophers as the requisites of causal relationships, should be contemplated as comprising 'constituent objects'. This perspective is, I regard, a fundamental one. "When one event causes another, this will be in part because of the properties possessed by their constituent objects" (Shoemaker, 1980, p109). In the context of social phenomena, events can rarely be established as neatly circumscribed, distinct incidents or occurrences. Rather, social phenomena manifest as complex, intricate, indeterminate. In simple parlance, social events are rather more messy than not. They are characterised by dynamic behavioural variables and not just deterministic objective, technical variables, which positivist research design attempted to isolate in the preponderance of management science research of the previous century.

Parke was moved to comment on the outcome of the introduction of blended research methods, exclaiming that the "convergence of 'hard' methodological approaches with 'soft' behavioural variables" (1993, p227) had given rise to less-than-exemplary pockets of theory development. For Parke, the solution lay in developing "a typology of theory development approaches" (p227). For Panini (2000), social science (including of necessity, at least in the Western sub-sphere, management science) deals with what he regarded as messy phenomena: "The sociologist has to either improvise concepts or borrow appropriate ones to gain insights into significant processes and arrange messy data to uncover patterns and structures they hide" (Panini, 2000, p174).

Embodied in the progression of understanding we can adduce from Shoemaker's contribution, then Parke's observations and finally Panini's conclusions at the turn of the century, Shoemaker's perspective is evidenced as authoritative. Messy phenomena are less distinct events, than they are collections of constituent objects. The researcher's interrogation must look beyond the 'headline attraction' to the 'supporting bouts', without separating one from the other. To isolate constituent objects is to attempt specious reductionism, expedient but futile atomization of events. While atomisation enables hypothetico-deductivism, it strips away the tapestry of constituent parts, rendering what could otherwise exhibit, even if only faintly, as discernible patterns. Shoemaker chides philosophers (for which can be substituted 'management scientists') who neglect to salute component constituency:

> *Philosophers sometimes use the term 'property' in such a way that for every predicate F true of a thing there is a property of the thing which is designated by the corresponding expression of the form 'being F'. If 'property' is used in this broad way, every object will have innumerable properties that are unlikely to be mentioned in any causal explanation involving an event of which the object is a constituent.* (Shoemaker, 1980, p110).

He also emphasises that we exploit an intuitive sense as to the authenticity of the many properties that constituent objects of an event may represent:

> *It is natural, however, to feel that such properties are not 'real' or 'genuine' properties. Our intuitions as to what are, and what are not, genuine properties are closely related to our intuitions as to what are, and what are not, genuine changes. A property is genuine if and only if its acquisition or loss by a thing constitutes a genuine change in that thing.* (Shoemaker, 1980, p110).

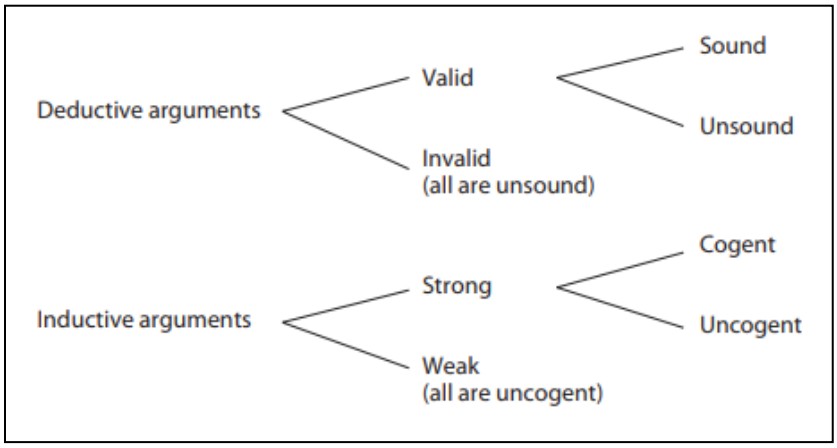
Three points are to be made: first, not only is this akin to the subjectivism of the (primarily qualitatively disposed) social scientist, it also straddles very comfortably the critical realist's reflexive pragmatism. Second, and more importantly, especially as it suits this research, Shoemaker's explication acknowledges that a messy social problem comprises a collection of entities and events that must be observed and interpreted holistically, cognisant that patterns of cause and effect will manifest in holism, not atomism. Third, this interpretation resonates with the insight (what Shoemaker refers to as intuition) one might expect of an experienced scholar-practitioner, or for that matter any experienced proponent of a field of endeavour.

> *Suppose, for example, that a man takes a pill and, as a result, breaks out into a rash. Here the cause and effect are, respectively, the taking of the pill and the breaking out into a rash. Why did the first event cause the second? Well, the pill was penicillin, and the man was allergic to penicillin. No doubt one could want to know more — for example, about the biochemistry of allergies in general and this one in particular. But there is a good sense in which what has been said already*

> *explains why the one event caused the other. Here the pill and the man are the constituent objects of the cause event, and the man is the constituent object of the effect event.* (Shoemaker, 1980, p109).

The insight delivered by Shoemaker's 'good sense', maps to the 'most likely explanation' pragmatism of critical realism, based on abductive reasoning, fashioning explanatory hypotheses in exploratory pursuit for subsequent hypothetico-deductive testing, where this is possible. Hence, while deductive reasoning can lay claim to deductively 'valid' conclusions, based on true premises, we are at best able to assert 'cogency' of inductive and abductive reasoning. Hurley's taxonomic underpinning of, respectively, the conclusive validity attached to deductive argument and the probabilistic cogency attached to inductive argument, is depicted in figure 5-6.

Figure 5-6: Ontological taxonomy of argument



Source: Reproduced from Hurley (2015, p53).

According to Hurley (2015), validity of conclusions deductively arrived at, is established by the veracity of the premises, and the validity of the argument. Conclusions inductively arrived at, are only probabilistically true, even if the argument leading to the conclusion is strong. We cannot conclude that a strong inductive argument can lead to a valid conclusion, only that the conclusion may be regarded as cogent. Where the premises upon which the inductive argument is based are untrue or weakly established, the inductive conclusion so derived is at best, unconvincing (Hurley, 2015). Hurley is at pains to emphasise that a true premise is one that is "... 'true' in a complete sense. The premises must not exclude or overlook some crucial piece of evidence that undermines the stated premises and require a different conclusion" (Hurley,

2015, p51). Cogent inductive argument hence requires a) true premises, b) strong argument and c) thorough evidence. Hurley refers to this third requirement as the total evidence requirement and concludes that:

> *A cogent argument is the inductive analogue of a sound deductive argument and is what is meant by a good, or successful inductive argument without qualification. Because the conclusion of a cogent argument is genuinely supported by true premises, it follows that the conclusion of every cogent argument is probably true in the actual world in light of all the known evidence.* (Hurley, 2015, p52).

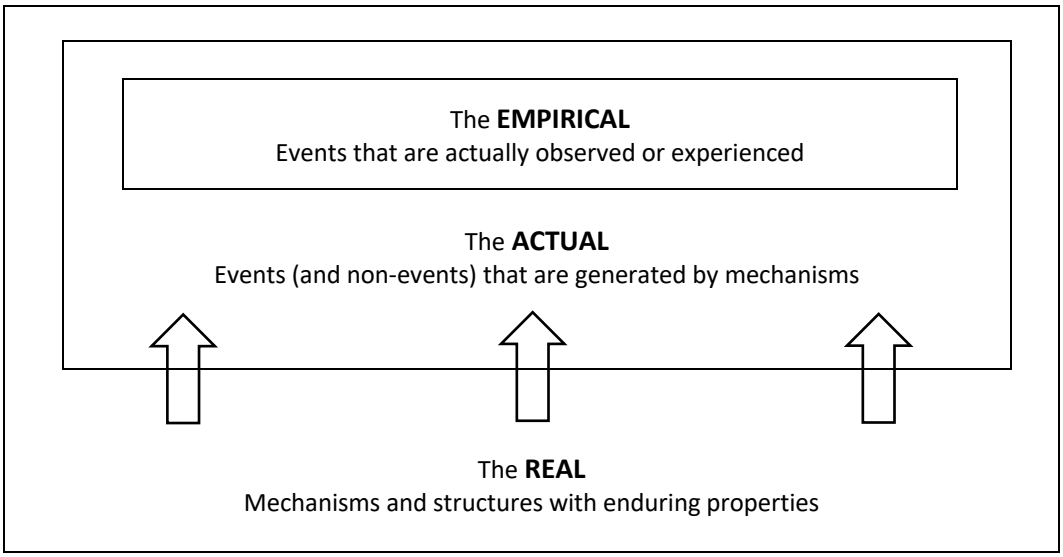
Three things should be pointed out: first, the foundationalist roots of Critical Realism avoids the infinite regress trap that would have an endless spiral of verification of the veracity of premises. There exists possibility that critics will recant the veracity of premises presumed as true, but this is to be expected, especially so where the conclusions are critical of the power assumed by policy makers and policy executors. Second, the logic by which abductive reasoning proceeds, while distinct, is akin to inductive argument. Third, the goal of the reasoning by which the conclusions of this research are derived, is therefore that it represent an as-parsimonious-as-possible argument based on a thorough and as-complete-as-is-feasible collection of evidence, exploiting cognitively meaningful language devoid of emotively charged rhetoric. This is especially important given the advocacy embodied in the research output and the potentially emancipatory implications of revealing the state of affairs to civil society welfare providers, social welfare recipients and the benevolent public that sustains third sector welfare provision.

This represents an acknowledged research design in the critical realist tradition, representing a contrast to the deductive and inductive designs of empiricists and constructivists. This research enquiry seeks, in critical realist meta-theoretical form, to:

> *… take some unexplained phenomenon and propose hypothetical mechanisms that, if they existed, would generate or cause that which is to be explained. So, we move from experiences in the empirical domain to possible structures in the real domain. This does not in itself prove that the mechanism exists, and we may have competing explanations, so the next step is to work towards eliminating some explanations and supporting others.* (Mingers, 2006, p23).

Mingers (2006) illustrates the interaction of the three domains pertinent to enquiry and abductive (alternately, retroductive) reasoning most usefully. His depiction is reproduced as figure 5-7.

Figure 5-7: Stratification of the Real, Actual and Empirical domains



Source: Adapted from Mingers (2006, p23).

Within this frame of reference, enquiry is declared a four-step process of description, retroduction, elimination and identification (Mingers, 2006, p23, attributed to Bhaskar, 1994). As may be expected to emerge in resolution of problems arising in organisational setting, critical realism similarly contemplates:

> *... practical problem resolution (Diagnosis, Explanation and Action to absent the problem), and attempting to change morals or norms (Description, Explanation, Transformation) ... The key point is going from surface observations (the empirical domain) to underlying explanatory structures (the real domain) and back again.* (Mingers, 2006, p24).

A clear and apparent objection to the critical realist approach to scientific enquiry, is that a hypothetical identification of causal mechanisms cannot be construed as 'knowledge', for it does not conclusively, deductively, prove a rule. However, as Ivancevic and Ivancevic (2007, p6) underscore, "reasoning is defined very differently depending on the context of the understanding of reason as a form of knowledge." They distinguish deductive reasoning (and hence quantitative enquiry) from inductive reasoning (hence qualitative enquiry), thus:

> *In deductive reasoning, given true premises, the conclusion must follow and it cannot be false. In this type of reasoning, the conclusion is inherent in the premises. Deductive reasoning therefore does not increase one's knowledge base and is said to be non–ampliative. In inductive reasoning, on the other hand, when the premises are true, then the conclusion follows with some degree of*

> *probability. This method of reasoning is ampliative, as it gives more information than what was contained in the premises themselves.* (Ivancevic and Ivancevic, 2007, pp6-7).

They continue to distinguish the abductive reasoning that is keystone of this study and central to pragmatic critical realism, as follows:

> *A third method of reasoning is called abductive reasoning, or inference to the best explanation. This method is more complex in its structure and can involve both inductive and deductive arguments. The main characteristic of abduction is that it is an attempt to favor one conclusion above others by either attempting to falsify alternative explanations, or showing the likelihood of the favored conclusion given a set of more or less disputable assumptions.* (Ivancevic and Ivancevic, 2007, p7).

It must be reiterated at this point that messy social problems are the consequence of the intransitivity of the mechanisms and structures of the domain of the 'real'. Little control can be exerted over the real world, except by the artifice of atomization and reductionism, which, as has been pointed out, strip the warp and weft of intricate social structures, discarding definition and value as they press forward. The objective of critical realist science is not to avoid empiricism, but to employ it usefully, seeking explanation in the cause of establishing a rule-foundation before committing resources to proving that rule. "So, the main feature of a critical realist approach to science is a fundamental concern for *explanation* in terms of underlying causal or generative mechanisms which may in principle be unobservable" (Mingers, 2006, p24, original emphasis). This unquestioningly renders pragmatist enquiry ampliative, whether or not one denies the criticism of Ivancevic and Ivancevic. General laws are, in this vein, unlikely to be usefully abstracted by deductive reasoning and quantitative approach alone.

5.8 SUMMARY AND IMPLICATIONS

5.8.1 The purpose of research: an intersection of research science and research philosophy

In alluding to Einstein's views on the fundamental contribution that historical and philosophical background make to science, the physicist Rovelli exclaims: "Put more strongly, it is sometimes said that 'Scientists do not do anything unless they first get permission from philosophy'" (2018, p484). From Rovelli's exclamation, it is interpreted that advancing the frontiers of any science, whether natural or social, is a matter of ever-deeper interrogation of the knowledge commons. This is a commons understood as a shared, accumulative resource. The trajectory of our species' knowledge is neither linear nor consistent. Subject to sometimes cataclysmic shifts in paradigm orientation, peppered with false starts, red herrings and dead

ends, the knowledge commons relies on research to sift wheat from chaff, seeking first to establish, then to embed, universal (or at least near-universal) frames of reference. These frames of reference are, metaphorically, the trunks and branches of the tree of life. Peripheral research may develop into a sturdy stem, and it can sometimes wither and die; the false starts, red herrings and dead ends. All are necessary. Not all pioneers are destined for greatness. Some lie in unmarked graves, their lack of scientific community credibility captured in the modesty of their citations.

The purpose of research is to evolve our conceptualisation of the world, both natural and synthetic. Conceptualisation is not fixed; indeed we would be doomed were we to employ a rigid and immutable frame of reference to understanding our environment and each other. Research represents the means by which we fathom both uncertainty and discontinuity. Philosophy represents both (an evolving) frame of reference and taxonomy by which our conception, our attempts to diminish our bewilderment, are set out in comprehensible, defensible, replicable form.

The following subsections summarise the fundamental meta-theoretical principles unpacked by this chapter, following the same order in which they are presented in the body of the chapter text.

5.8.2 The intersection of ontological positioning and epistemological positioning as the foundation of the researcher's worldview

Worldview is a lens through which the researcher describes their experience of reality. Critical realism, it has been established, is the lens through which this body of research has been conceptualised, devised, executed and reported. It has been emphatically documented that a researcher's paradigm is not a matter of convenience. Rather, one's worldview precedes one's this worldview is a calling card, if you will. Whether it is in fact explicitly presented to the reader, as is the case with this research, or merely couched in the research design features, methods and evidence interpretation, it conveys the researcher's orientation to enquiry of both natural and synthetic events, to what they regard as reality, to what they regard as the means and processes of knowledge production.

Worldview is consequently the intersection of the researcher's ontological positioning and epistemological positioning. It is apparent that the grand debate between foundationalists and anti-foundationalists preceded the debate between objectivists and subjectivists, in turn coughing up a contradiction in view between mostly natural science positivists and their social science constructivist counterparts.

Treading a cautious and very modern line between positing principles and interpreting relationships, the early 20th-century pragmatists and avowed critical realists emerging in the late 1960s combined the empiricism of empirical realists and the reasoned discourse of idealist sociologists. The idealists, of course, rely solely upon deconstruction to defend the plausibility and intelligibility of their conclusions. The

empirical realists, reliant on deduction, must of necessity chip away at the embroidery of events, reducing them to atomistic, singular objects of observation. Knowledge is held to be advanced by this group, on the basis of predicted and confirmed event regularity.

Critical Realism defends reasonable assertions, reasonably held on the basis of observation and interpretation, regarding knowledge of events to emerge as a consequence of advancing plausibly explanatory hypotheses of event occurrence. Critical Realism employs the methods of both empiricists and idealists, contending that these hypotheses can for the most part be subjected to closer scrutiny and atomistic event regularity testing to establish the validity of the explanation beyond merely a reasoned cogency.

5.8.3 Methodological design as conception, and selection of methods

Representing the design considerations established by research purpose and desired outcome, research design is, in the first instance, a conception of what will represent both a satisfactory end worthwhile enquiry matched to the research purpose and objective. Representing one of, or some combination of the research applications of prediction, comprehension, emancipation, deconstruction, or problem definition and resolution, methodological design targets optimal fulfilment of the primary research purposes of exploration, description and explanation.

It follows that the identification, isolation and selection of an assemblage of methods, aligns to the grand research design. In the case of this research, this implies methodological design suited to ex-post evaluation of social development policy, arising as the practice of non-profit welfare organisation selection and funding, in the cause of what government calls social development.

Public-sector welfare services provision, achieved through contracting of private sector or civil society sector providers, is not an uncommon phenomenon. However, rendering policy execution opaque, is the prospect of sub-par public service administration. Consequently, and particularly in the context of the prominence given to the country's monthly social grants transfers, the fulfilment of a so-called social development mandate has attracted little scholarly attention beyond the role of social work professionals and institutions.

The chief implication for research design in this research instance, therefore, is that the design encompass the features considered appropriate to:

a) argue the implausibility of the social development ambitions of the DSD,

b) demonstrate with data analysis the outcome of the DSD's social development modality,

c) ultimately establishing a foundational hypothesis for focused research to either

ci) debunk this contestation, or

cii) build momentum to pressure social development policy revision, more rationally attuned to the claimed, argued, defended and intuitively recognised imperative of market-focused business-government development intentionality.

5.8.4 Axiology: where values and interpretation meet rhetoric

Whilst not intended as social policy evaluation per se, this research enquiry does, however, parallel Weiss' (1991) three categories of policy research, being a) the straightforward collection and analysis of data, b) the deconstruction of policy (including policy outcome), affording criticism, and c) arguments for policy action. The first thrust does not arouse much concern, save for the interpretation of quantitative evidence. Where interpretation is undertaken within the parameters of quantitative theorists' embrace of criterion thresholds, little opportunity can be thought to arise for values contradiction, provided the integrity of the researcher is beyond reproach. Policy deconstruction and advocacy, however, are fruitful territory for fulmination.

Sousa cautions, for example, that "Knowledge is always situated, bearing the marks of its social origins and molded by the social background of knowledge's proponents, adherents, and even fiercest contenders" (2010, p490). Contestation consequently continues to rage between empiricists and constructivists, as it relates to the broad purpose of explanation vis-à-vis interpretation. However, "the idea that the events we observe and experience are generated through the complex interactions of generative mechanisms (or systems) that have causal powers or tendencies" (Mingers and Standing, 2017, p2), is sufficient to suggest that positivist science and insensitive administration of quantitative methods are inadequate foundation for unpicking the warp and weft of social structures. Accordingly, critical realism's pragmatism admits for sense making, the necessary constructivism in conjunction with the quantitative methodism that distinguishes ex-post factual evidence.

In this circumstance the reflexive researcher does well to reiteratively question their position, relative to the prevailing value conditions of the generative mechanisms they interrogate. It is here that the insight premium exhibited by a seasoned researcher or as in the case of this research, an 'insider' practitioner, contributes to and less superficial, more seasoned appraisal.

There are two further axiological concerns. The first is the requisite technical efficiency necessitated by the making of value-judgements. The second is that of the selection of textual rhetorical form, impacting readers of the researcher's communication of findings and interpretation. The first is attended by Hartman's combinatorial calculus, computation of the richness of properties enjoyed by the mechanism or structure

subjected by the researcher to evaluation. In this frame of reference, of the 'intension' of a thing. Intension, representing the complete set of properties of an object (or mechanism, or system), is a normative standard for 'complete value', by which it is intended to convey that the evaluated object has all of the properties by which it would be defined as 'good'. Consequently, adjudging the intension of government's developmental welfare ambitions can only adequately be undertaken were the properties of 'good' social development policy mechanisms systematically isolated and recorded as criteria of a normative instrumental measure.

In respect of the second axiological concern, that of rhetorical selection and form, caution is sounded against the researcher's use of emotive persuasive device, either wilfully or negligently disguising weak truth value dressed up as persuasive illocution. Finally, researchers are similarly recommended to scaffold the structure of their communication according to the conventions of their discipline, and this is where it becomes apparent that the heuristics by which management science and social science enquiries are communicated, are substantially the same. While much of the former science is predisposed, I think perhaps as contextual reaction, to hypothetico-deductive quantitative technique, both management scientists and social scientists mount their respective enquiries in the common synthetic domain of social interaction and the use and abuse of power relations.

5.8.5 Aetiology and explanation

Ever mindful of the overarching advocacy intentions of this research, the clarifications of Marres are reiterated:

> *... the distinctive affordances for public involvement must ... be described, not only in terms of their capacity to add inclusivity and accountability to political dealings with issues, or to transform people into citizens. These arrangements to must also be appreciated for the way they facilitate a distinctive articulation of issues, as matters of public concern.* (Marres, 2007, p776).

Aetiology and explanation represent the final frontier where interpretation of experience seeks to add its reasoned 'truth' to the accumulation of empirical and theoretical knowledge. However, constructing an argument that beards the government lion in its lair, necessitates sound deductive reasoning and cogent inductive and abductive reasoning based on the quantitative and qualitative data to which this research is afforded access.

The Humean conception of causality, that of contiguity, temporal priority and constant conjunction, is an incomplete device as it affects this research. Shoemaker (1980) insists that the features regarded by philosophers as the requisites of causal relationships, should be contemplated as comprising constituent

objects. In the context of social phenomena, events can rarely be established as neatly circumscribed, distinct incidents or occurrences. Rather, social phenomena manifest as complex, intricate and indeterminate. Social phenomena are messy phenomena. Messy social problems are the consequence of the intransitivity of the mechanisms and structures of the physically and ontologically real world, a domain that defies the artifice of experimental control and hence nullifies the relevance of the hypothetico-deductive method.

The objective of critical realist science, however, is not to avoid empiricism but to employ it usefully, seeking explanation in the cause of establishing a rule-foundation before committing resources to proving that rule.

> *Yet it is controversies of this kind, the hardest controversies to disentangle, that the public is called in to judge. Where the facts are most obscure, where precedents are lacking, where novelty and confusion pervade everything, the public in all its unfitness is compelled to make its most important decisions. The hardest problems are those which institutions cannot handle. They are the public's problems.* (Lippmann, 1927, p121).

5.8.6 Implications

The intention of this research is to add to the extant body of knowledge. This is achieved this by conceptualising, developing and deliberating, processes (methodological considerations), methods (research methods, as tools and mechanisms by which data can be isolated, sorted, analysed and synthesised). From this foundation the existing ontology of what we know of civil society, specifically welfare organisations, and the contribution they make (or don't make) in the context of contracted service provision to government, is expanded.

While research texts intimate, conventionally, the assumption of a worldview appropriate to research question and research matter, worldview and the researcher's consequential research paradigm is regarded as function of the researcher's life context and experience. It is contended that the well-balanced researcher's research trajectory aligns coherently to the anchor chain of the researcher's life path, assuming the existence of such a path and its associated vicissitudes.

Where the researcher is comprehensively steeped in the research subject context, the positivist caution of guarding against bias is sounded. It makes no sense for the researcher so cautioned, to assume for the purpose of research, paradigms that more easily defends possible accusations of bias. Rather, both the path and flow of the research process should respect the rationality of objectivism whilst leveraging the

researcher's contextual acumen and discernment. Self-reflection is necessarily component part of the pragmatist's orientation.

> *Pragmatism is self-conscious and self-reflective and self-critical. That is, it is prone to examine its own ideas as tentative. We may one day need to reformulate parts of some of our thinking about ourselves. No part of our thinking are immune to the weight of evidence that might come in future experience.* (Ormerod, 2006, p904).

The material of the following chapter, elucidating the research design of this two-phased study, exhibits the meta-theoretical perspective expounded in this chapter, and is intended to remain consistent with the paradigm. A substantial proportion of the data analysis in both phases of this study is quantitative, entertaining derivation of factual conclusions. However, the interpretation of this factual evidence is qualitative and exceptionally value laden. Hence the role of values in qualitative, interpretative research and emancipatory, advocacy research, have been emphasised to ensure this interpretation cannot be condemned out of hand by those who would maintain a different position.

As has been clarified, interpretation of the evidence is not only deductive but also substantially abductive. Hence, as with prospective critics who may be stung by the interpretation of the evidence), the findings cannot be claimed as valid. However, a claim can be made for sound and cogent reasoned argument, providing plausible explanations for anomalous evidence that contradicts government assertion (assertion evidenced in the perpetuation of a mechanism) of the soundness of the state's social policy mechanism by which social development is claimed to be achieved.

CHAPTER 6
RESEARCH DESIGN, METHODOLOGY AND METHODS

6.1 INTRODUCTION

The goal of this chapter is to explain and emphasise the methodological design and research methods devised to undertake the two phases of enquiry encapsulated by this research. The research design is informed both by the circumstance by which the study evolved, largely related to being integrally bound up by social welfare practitionership, a 'participant observer status', if you will. Three decades of business development practitionership have yielded the pragmatism by which this study was conceived, originated and executed. The overarching contention, or 'hunch' which prompted the investigation is a confessed hesitation to dutifully accept the state's contestation that the social welfare capacity and objective inherited from the outgoing pre-1994 administration, has been purposefully and usefully transformed since 1994 into a social development modality.

Hesitation does not admit refutation, however, and evidence is required to render this hesitation for it to be of any intellectual and practical purpose. To the end of ensuring the defensibility of my criticism, the research design elements (commencing with an elaboration of the research problem, propositions and research questions) are set out as the first task of this chapter. This records the nature of the design as incorporating both cross section and time series analyses, exploiting large public sector data sets. The availability of the data has afforded population-level analysis of deprived citizens and the civil society organisations attempting to shore up this morass of destitution in the province of KZN.

This methodological design background serves as a frame by which the tapestry of the enquiry protocols can be set out, across both phases. This commences with the construction of an instrument for assessing deprivation by municipal district, in order that the spatial relationship of deprived citizenry and welfare NPOs can be assessed. Leveraging the parameters that shape the decennial national census of the South African population, this instrument represents the development of original instrumentation, tested for its validity against similar and acknowledged multi-dimensional deprivation measurement instrumentation.

The remaining protocols of the first phase of research enquiry are similarly elaborated, including the process and approach by which the geographic dispersion of the KZN population of welfare NPOs was isolated and assembled as a data set for analysis. Data assembly, transformation and analysis are detailed, distinguishing the progression of association analysis undertaken to resolve the research questions of the first phase of enquiry.

The findings of the first phase of enquiry can be regarded to have informed the nature of the second phase enquiry protocols, commencing with the isolation of a state social development modality evaluation measure. With a methodological approach determined, the enquiry proceeded by distinct data assembly, transformation and analysis. Embracing the availability of data for five complete reporting years, the second phase protocols explain the construction of a regression model suitable for resolving the second phase research problem. This model was prepared solely to explain the relationship between state disbursement of social development funds via contracted human welfare NPOs over the time series period, and the change in KZN regional deprivation levels. This statistic is measured in the second phase, by government statistical agency reporting of poverty headcount.

6.2 THE RESEARCH PROBLEM

Poverty and deprivation are unequivocally accepted as a hallmark of South African society, even decades into democracy. The legacy of ideological inequality is experienced spatially and manifests most severely in the areas identified as homelands by the Bantu Authorities Act of 1951, correctly incorporated into the Republic of South Africa in 1994 (Noble et al., 2013, Noble et al., 2014). Noble et al. highlight that:

> *The spatial distribution reflects the outcome of a number of dynamic social processes and factors which include migration, availability and cost of living space, community preferences, current and historical policies. The latter is particularly important in South Africa where the spatial legacy of apartheid means that poor South Africans are concentrated spatially and tend to reside either in formerly racially segregated 'townships' around cities created or confirmed as a result of the Group Areas Acts 1950-1966, or in former homelands created in colonial times and further promulgated under the Bantu Authorities Act 1951.* (Noble et al., 2013, p6).

Attending to this legacy is conceived partly at least, as a partnership between civil society and government. Chapter two has reviewed, as macro-level construct, the social policy framework that produces this frame of reference. Qualifying representatives of the third sector are selected by government for contractual appointment to attend to government's welfare mandate. The relationship is a symbiotic one, as established in chapter three. However, while the disbursement of social development funding to contracted NPO beneficiaries enables government reach that would otherwise be operationally and technically cumbersome for the state to achieve, the intersection of NPO capacity and social need (and hence required attention), do not necessarily coincide.

In other words, if civil society welfare-provider organisations are not proximally located to the socially marginalised, then the prospect of targeted service provision is compromised. This phenomenon has not been tested. Secondly, even if the spatial relationship between providers and target beneficiaries was propitious, government's modality of addressing social marginalisation through contracting select civil society organisations has not been tested to establish the mechanism's efficiency and effectiveness. This prompts the two-phased approach of this research enquiry, and compels a problem statement in two parts. The first phase of research explores the proximal relationship between civil society welfare providers and the deprived beneficiaries of welfare services, so that the prospect for targeted resource allocation and efficient deprivation mitigation can be established.

The outcome of this first wave of research informs a longitudinal analysis, subject of a more acute enquiry focused on state funded welfare providers. The second part of the problem statement, aligned to the second phase of research, directs attention to the welfare measures identified by government as optimal for addressing deprivation. Setting out to explore the impact of the state's contracted-NPO funding modality, the second phase of the research identifies the outcomes-effectiveness of the prevailing model. This enables derivation of theoretical and conceptual conclusions. The problem statements of each phase are elaborated upon below.

6.2.1 First phase research problem statement

The purpose of this research is to investigate, in the first instance, the spatial relationship between civil society undertaking welfare provision and the geographic incidence of social and economic deprivation. This represents the first phase of the study: an exploration of the proximal relationship between civil society welfare providers and the deprived beneficiaries of welfare services, so that the prospect for targeted resource allocation and efficacious deprivation mitigation can be established.

6.2.2 Second phase research problem statement

The second phase of research enquiry is informed by the outcome of the first phase, and directs attention to the welfare measures identified by government as optimal for addressing deprivation. The portion of the national budget directed towards alleviation/palliation of felt-deprivation, and therapeutic remedying of the ill-being suffered by the deprived, is negligible compared to the state's 'cash grant' social transfers. However, the sum is still substantial in absolute terms, and mobilises from the benevolent general public, donations anticipated to equal the state's expenditure. However, neither civil society nor benevolent institutional and individual benefactors are abreast of the impact of their charitable contributions. The second phase of the study is therefore an exploration of the impact of the state's contracted-NPO funding

modality, with the express purpose of identifying the ostensible social development outcomes-effectiveness of the prevailing model.

6.2.3 Research propositions

6.2.3.1 First phase research proposition

The expenditure by government on welfare services provided by selected civil society providers is considerable. This expenditure, effected according to a standardised model of disbursement based on NPO contractor service provision (aligned to DSD assistance sub-programmes), is assumed to be prudently disbursed. The DSD enters into service level agreements with contracted NPOs, enabling recovery in the event of NPO misspend. This process is nominally rigorous, but it does not dictate the presence and capacity of NPOs where community need exists. In other words, substantial government welfare provision by contracted third party is determined primarily by the availability of suitably qualified NPOs and not the scope or intensity of community deprivation.

If, by happy accident, the impetus by conscionable, compassionate and capable individuals to establish welfare oriented NPOs coincides spatially with the deprivation patterned across the province, then funded NPOs will direct government disbursement optimally. Conversely, should NPOs not be present in the province's deprived areas, government funds could be disbursed sub-optimally.

This proposition informs the interpretation of the evidence produced by the first phase data analysis. Should the spatial distribution of NPOs be found to be distinct from the regional distribution of the individuals and/or households determined to be deprived, this would rationally obligate conclusion that there is little prospect of state funding modality achieving any propitious amelioration and/or remediation of deprivation.

6.2.3.2 Second phase research proposition

The findings of the first phase of research informed the direction and research proposition of the second phase of the study. Establishing a favourable relationship between government contracted NPOs and deprived regional populations, prompts interrogation of the utility of this funding modality. The funding modality as demonstrated by the available pattern of DSD expenditure in the KZN province over the five years to March 2017. If the funding pattern were to demonstrate inconsistency and/or arbitrariness, and/or an unrelatedness to the criteria established as cogent for social development (such as removing constraints to self-reliance, improving access to key productive resources, enabling increased value of productive outputs), the modality could be concluded as ineffective at best and egregiously specious at worst.

6.2.4 Research questions

6.2.4.1 First phase research questions

Table 6-1 condenses the research question pursued to conclusion by the first phase of the study, and the four associated investigative questions.

Table 6-1: Research questions and associated investigative questions of the first research phase

	Research purpose	Research questions	Investigative questions
First phase	Explore the proximal relationship between civil society welfare providers and the deprived beneficiaries of welfare services, so that the prospect for targeted resource allocation and efficient deprivation mitigation can be established.	1. Can an **associative relationshi**p be discerned between regional distribution of NPOs and socio-economic disadvantage in the eleven KZN provincial districts?	1.1 What is the scope and quantum of KZN welfare-sector NPO activity, based on international classification of NPOs?
			1.2 What is the geographic distribution of welfare-sector NPOs in the eleven municipal districts of KZN?
			1.3 What are the discernible socio-economic characteristics of each of the eleven KZN municipal districts *(giving rise to an index of deprivation)*?
			1.4 What is the pattern of association, if any, between KZN municipal district socio-economic characteristics and KZN government-contracted welfare-sector NPO distribution in the province?

6.2.4.2 Second phase research questions

Table 6-2 depicts the research question pursued to conclusion by the second phase of the study, and the three associated investigative questions.

Table 6-2: Research questions and associated investigative questions of the second research phase

	Research purpose	Research question	Investigative questions
Second phase	The meritocracy of state contracting of NPOs established at the conclusion of the first phase of research, explore the impact of the state's contracted-NPO funding modality, to identify the effectiveness of the prevailing model.	2. Can an **explanatory relationship** be discerned between the state's funding modality and the incidence and prevalence of derivation exhibited in the eleven KZN provincial districts?	2.1 What is the change in KZN's regional deprivation intensity over five years measured from the base year of 2012/13?
			2.2 What is the quantum and categorical allocation of funding by the state in KZN over five years measured from the base year of 2012/13?
			2.3 Does the state's annual social welfare categorical funding allocation in KZN explain a reduction in the regional intensity of the province's deprivation?

6.3 THE RESEARCH DESIGN

6.3.1 Nature of the research design

Methodologically, this research was undertaken as a quantitative, cross-sectional, correlative design in the first phase, and as a quantitative, time-series regression of variables in the second phase. The second phase incorporates an embedded qualitative element, in the form of interpretation of a limited number DSD documents and associated text data, contained to sufficient elements confirming the research contention that the state's model of government-directed, NPO-executed welfare provisioning cannot accomplish any substantive degree of social development.

Predictive enquiry is inappropriate because the research is established on conceptual, not theoretical underpinnings. In an area of understanding that has not been subjected to thorough scrutiny, the research in both phases, represents exploratory investigation. This exploration has encompassed a description of the status quo prevailing at the time of the cross sectional first wave of enquiry, and the trend demonstrated over the second wave time series analysis. There was no researcher interference in either phase, as this research represents an ex-post design, collecting data from published state sources.

6.3.2 Study location and units of analysis

6.3.2.1 Study location

A preponderance of evidence points to the former 'homelands' of pre-1994 South Africa reflecting sub-standard citizen wellbeing. Noble et al. sum it up thus:

> *An analysis using data from the 2011 Census shows that deprivation … is still concentrated in the former homelands. Moreover, a very similar spatial distribution is found for poverty when the measurement is based on income. Apartheid's spatial legacy regarding poverty and deprivation remains one of the greatest challenges confronting South Africa.* (2014, p1).

KZN is a deeply affected province, as is the Eastern Cape. These are populous regions and demonstrate extremes of wealth and wellbeing contrasted with abject income poverty and multi-dimensional deprivation. The research site for this study was hence selected as the KZN province, carved post-1994 into eleven district municipal demarcations. There are several reasons for selecting KZN as the research site, not least of which is the researcher's familiarity as resident of five of the districts over time, and having consulted at one point or another to enterprises in all of the districts. This gives rise to a familiarity with the context and character of the province. In addition, there has been opportunity to interact with the DSD as a co-opted panellist in review of applications by NPOs to the regional (eThekwini) DSD.

Coupled to extensive experience with the region and sector in operating a welfare NPO, there is a contextual familiarity which suggests KZN is a prime research site to pilot instrumentation and procedure for replication at national level.

6.3.2.2 Units of analysis

The goal at commencement of the study was the establishment of the scope and nature of the relationship between socio-economic disadvantage in KZN and the distribution of NPOs in the province. Given that the working hypothesis establishes the units of analysis as NPOs regionally distributed throughout KZN, and the welfare services district beneficiary populations in the province, this rendered the units of observation the district distribution of NPOs and the district indices of disadvantage.

In the interests of completeness and comprehensiveness, the research was undertaken at the level of population study. The data for the populations of interest are available in the public domain and little interest is served in attempting sampling of either deprivation or the KZN population of the South African universe of registered NPOs. This logic holds true for the second phase of the study.

The populations of interest are:

- The population of registered NPOs in KZN (phase one).
- The citizens of KZN, distributed in eleven municipal demarcations, who may be regarded as deprived (phase one and phase two).
- The population of NPOs selected by the DSD in KZN to contractually undertake welfare service provision (phase one and phase two).

6.3.3 Variable definitions

6.3.3.1 The deprivation population

Statistics South Africa report number 03-01-53, entitled Census 2011 Municipal report – KwaZulu Natal (2012) provides data at municipal level for the areas of demography, education, unemployment and housing. This data can be transformed to gauge the incidence, prevalence and intensity of deprivation in the eleven municipal demarcations.

This population data is supplemented by Statistics South Africa statistical release P0318 entitled General household survey (2013). The national household survey enhances the census data with education and living standard detail, although only at the level of province. However, this data enables interpretation of NPO data such as the quantum of early childhood development provided by registered NPOs. It also provides health care detail in the form of the membership of private health care insurance, the reciprocal of which indicates the population proportion directed in the first instance to public health care facilities.

The census data does not illustrate any health data for the population. However, the Department of Health annual reports provide indicative detail using selected health indicators. The KZN Department of Health Annual Performance Plan MTEF 2012-2013 (2012) provides data that by transformation and deduction, indicate health care facility availability in the eleven demarcated municipal regions.

6.3.3.2 The NPO population

The Department of Social Development maintains a Directorate responsible for NPO oversight (see chapter two); the Directorate published in 2012, a national register of NPOs. This database serves to provide national data decomposable at provincial level, enabling isolation of the KZN population of

registered NPOs. The data can be further decomposed at the levels of sectoral specialisation and primary area of operation.

The KZN Department of Social Development commenced with the operating period ended March 2013, the publication of comprehensive detail in respect of the disbursement of funds to NPOs. This data provides a line-by-line account of the provincial government's record of disbursement to the welfare NPO sector. The data can be decomposed at the level of welfare category and at the level of district municipality in which the funded NPOs operate. The earliest available data is utilised for this study, being the supplementary detail of NPOs funded in the period April 2012 to March 2013 detailed in annexure form to the KZN Department of Social Development's Annual Report 2012/13. It is noted that the NPOs funded in this operating period would have applied for this funding in the prior financial period. As application for funding requires of the applicant NPO registration with the NPO Directorate, it follows that all funds disbursed in the period April 2012 to March 2013 would have been NPOs registered with the Directorate's April 2012 publication of the national NPO register.

6.3.4 Data sources

Table 6-3 summarises the study data sources, the data requirement being defined by the problem statements of the two study phases. Four principal sources of data were required by the study, as explained in the previous sub-section, being deprivation experienced by KZN citizens (two sources, see table 6-3), registered non-profit welfare organisations, and government disbursements to contracted representatives of this group.

Both study phases were carried out as population studies in the province of KwaZulu-Natal. The necessary data availability for the first study phase, conducted as a cross-section, coincided in an eighteen-month window between October 2011 (the most recent census enumeration) and March 2013, representing the end of the annual operating year of the DSD. NPO registration data was first availed to the public in April 2012. The second study phase, conducted as a time-series analysis, relied on deprivation data and funded-NPO data. This restricted the time-series to a five-year period, with the most current data on government disbursement to NPOs being availed in the KZN DSD's annual report for the year ended March 2017.

Table 6-3: Summary of data requirements and data sources for two study phases

	Data sources		
	Deprivation data	**Registered welfare NPOs**	**DSD disbursements to contracted NPOs**
Phase one	• October 2011 Census (Stats SA) • KZN DOH Annual Performance Plan 2012/13 MTEF	• NPO Directorate register of NPOs	• 2012/13 KZN DSD Annual Report (DSD)
Phase two	• October 2011 Census • 2016 Community Survey (both Stats SA)	Not required	• DSD Annual Reports for five years from the base year 2012/13, to 2016/17

Deprivation is the self-reinforcing consequence of social exclusion and a lack of social mobility. These features of a deprived existence arise because of income poverty, resource poverty and an alienation from resource acquisition, in what can be argued as a function of both circumstance and agency (as elaborated in chapter four). Measuring deprivation consequently requires a comprehensive, dimension-rich instrument that can reach beyond unidimensional income-poverty measurement. The essential South African source of such data is the census, the most recently conducted enumeration dating to October 2011, the report published in early 2012.

International standards dictate decennial population enumeration (Stats SA, n.d.). To this end, the South African population was enumerated in 1996 following the election of the country's first democratic government, and again in 2001 and October 2011. The census does not provide a purpose-made tool for measuring disadvantage, hence both phases of the study employ a researcher-devised multi-dimensional deprivation measurement instrument. The first phase instrument is based on the 2011 census enumeration, the census providing a rich source of data across multiple dimensions of deprivation including income sufficiency, material sufficiency, access to infrastructure, and employment. Given the longitudinal nature of the second study phase, an alternative measure of deprivation was devised using the StatsSA community survey data of 2016, to obtain a point of comparison. This data source can be thought of as an interim and abridged, mini-census. Interpolation established data points for the intermediate years of the time-series analysis of the second study phase[1].

[1] This treatment assumes a linear relationship, resolved by logarithmic conversion of annual Δ deprivation.

The third data category is annual government disbursements to contracted welfare NPOs. This data has been shared with the public commensurate with the release of the KZN DSD annual report for the fiscal year ended March 2013, and annual disbursements have been published in the annual reports since that point.

6.3.5 Software employed in data preparation and analysis

In the first study phase, NPO data was availed as a Microsoft Excel (MS Excel) file. This enabled worksheet manipulation in MS Excel and the national record of 80 000+ registered NPOs was progressively filtered to isolate the KZN welfare NPO entities, and clean the file of duplicate entries. The progression of interrogation[2] necessitated conversion of native pdf record of government disbursements in the period ended March 2013, to MS Excel file format. This data was similarly subjected to filtering in MS Excel, exploiting the software worksheet-functionality. Data thus availed, MS Excel 2010 with Analysis ToolPak add-in was used to undertake the necessary analysis for phase one of the study, encompassing population parameter description, analysis and presentation. No inferential statistical analysis was indicated because the analysis was conducted at the level of population for each district and the province as a whole.

The research second phase analytics were undertaken using Stata 13.0. MS Excel 2016 was used to undertake the necessary data compilation and data preparation, to render a Stata-compatible file format. Following the data cleaning and filtering of government disbursements scraped from pdf source documents for the five-year time-series, emerged the study second phase Stata-compatible Excel-formatted master-data file. Cross tabulation in Stata ensured the consistency of the data file, enabling uniform and hence comparable analysis for the eleven municipal districts. MS Excel was also employed in data presentation and the analysis was, again, conducted at the level of population.

6.3.6 Significance thresholds and the criteria for data interpretation

6.3.6.1 First phase interpretation of quantitative data

Given that MS Excel 2010 was exploited to undertake data assembly, manipulation, transformation, analysis and representation, this software's Pearson's product moment correlation functionality was used to undertake correlation analysis to establish the associative relationship. It is conceded that ordinal data must be considered non-parametric, hence Spearman's Rho is the indicated correlation test. Testing for association based on data rank and not value does not, however, represent a more accurate test for

[2] See investigative question 1.4, in table 6-1.

association and utilisation of Pearson's product moment correlation is not considered so perfidious as to invalidate its use. The association tests are performed on population data, so no testing for significance is indicated.

For the purpose of this research, a correlation coefficient of at least 0.90 suggests very high association. A Rho of 0.70 to 0.89 is interpreted as moderate correlation. A correlation coefficient of less than 0.70 is considered to signify weak association such that no reliance can be placed on the coefficient confirming an associative relationship.

The first wave of research was confined to quantitative analysis, enabling factual conclusions deduced from factual result at the level of population. There is a limited element of *a posteriori* reasoning underpinning the conclusions reached by the first phase.

6.3.6.2 Second phase interpretation of quantitative and qualitative data

Quantitative data availability establishes opportunity for factual, explanatory conclusion, based on the regression coefficients generated by fitting an ordinary least squares regression model. Modelling a predictive relationship is not attempted, for there is little point in doing so - the objective is to attempt the demonstration of a statistically significant goodness of fit with population parameter coefficients affirming the favourable or negligible impact of the current social development modality on KZN poverty headcounts.

For the purpose of this research (exploiting regression as it does to explicate limited independent variable impact upon the headcount of multi-dimensionally deprived KZN citizens) a 90% significance level threshold ($\alpha = 0.10$) is selected. Although this action may be thought to contradict the broad 5% significance level threshold convention, three factors impel the rationale: a) the regression model is limited to a five-year sample of the DSD's efforts stretching over more than two decades of the current administration; b) the NPO-contracting disbursement data demonstrates anomaly and variability; and c) the model is devised to explain, rather than predict and therefore recommend, efficacious DSD developmental welfare budgets.

By selecting the 90% significance level, both β population parameter coefficient estimates and adjusted R^2 coefficients of determination are validated as providing reliable population parameter estimates such that the modality can be assessed as negligible or substantial. Negligible population parameter estimates computed with robust explanatory power (exceeding the $\alpha = 0.10$ threshold) would refute the state's contention that social development is achieved through contracting select NPO welfare service providers.

Conversely, substantial population parameter estimates would support the view that the prevailing model of social developmental welfare is an efficacious modality.

Concluding the state's contention as baseless and unfounded cannot, however, be grounded solely on a unique repurposing of linear regression modelling. A limited qualitative component is consequently embedded in the second phase research process. This research element extracts a selection of data that enables argument confirming the imperfection of the state rationale, proposing as it does that welfare NPOs are able to direct the processes and necessary outcomes of social development.

6.3.7 Validity and reliability

Validity is a function of procedural operationalisation of research constructs and it is essential that this study is validated, and designed as dependably replicable, in a South African context. To this end, content validity has been operationalised according to a methodically devised conceptual map. Concurrent validity has been operationalised by rigorously adhering to the universally defined categorical ontology of the non-government sector, and the ontology adopted in South Africa for distinguishing deprivation, based on a multiplicity of factors symptomatic of social exclusion. The thresholds adopted for assessing the significance of correlation and regression statistics, support the predictive validity of the analysis.

The census data is provided with a modest allowance for error of 2% according to the Statistician General (Stats SA 1, n.d.). The NPO data forming the backbone of the ultimate outcome of the first study phase, and the focused enquiry of the second phase interrogation of contracted NPOs, is scraped from government annual reports. These reports are subject to validation by the Auditor-General. Data preparation has been methodically undertaken and documented, suggesting dependability and replicability.

The NPO population of interest in this proposed study is well defined and the criteria for inclusion similarly so. Hence, the interpretation of the results are considered applicable and generalisable, based on the stringency of criteria for inclusion or exclusion, a construal supported by clinical researchers Hulley et al. (2007).

Generally, the adherence to scientific method and procedure supports the credibility of the quantitative findings. Adherence to transparently and comprehensively explained procedure enables, a) replication of the study in other universe provincial populations and indulges, b) generalisation of the factual outcomes and conjectural conceptual conclusions.

6.3.8 Ethical considerations

All data for this study is derived from sources in the public domain. Individual and organisational interaction and engagement are precluded. Institutional protocol was observed by making application to the Humanities and Social Sciences Research Ethics Committee for exemption from ethics review. Full no-risk approval was granted in December 2014, protocol reference number HSS/1590/014M, in respect of the enquiry undertaken as the first phase of the study. Full no-risk approval was granted in November 2017 in respect of the second phase of enquiry, protocol reference number HSS/2172/017D.

All data and analysis will be retained for a period of five years. I have endeavoured to exercise caution in deriving conclusions, in an attempt to avoid the potential bias arising from my professional involvement of significant duration in the non-profit welfare sector.

6.4 FIRST PHASE ENQUIRY PROTOCOL: CONSTRUCTION OF AN INSTRUMENT FOR ASSESSING DEPRIVATION BY MUNICIPAL DISTRICT

This section describes the rationale underpinning the development and derivation of tools to extricate data from the data sources and transformation of the data to provide data sets for analysis. The deliberation of a tool whereby privation experienced by municipal populations can be measured, relies on the availability of data and the broad acceptability of the metrics adopted. The elucidation of relevant deprivation measurement indices was undertaken as component of chapter four of this research report. Pertinent to the national context is the SAIMD, developed by the Centre for the Analysis of South African Social Policy, University of Oxford, in conjunction with the HSRC and StatsSA. The index has gained traction as an appropriate measure of lived deprivation, has registered broad acceptance as an illustrative and robust device and has been accepted as the *de facto* instrument for measuring South Africa's deprivation, as witnessed by the publication of SAIMD reports by the DSD.

However, this study elects to treat deprivation as a function of insufficiency, as a categorical threshold. This treatment may also omit deprived persons, but the adoption of multiple dimensions and indicators as elaborated upon in the following section is considered unlikely to overlook manifest ill-being. The validity of any instrument developed for this study as a categorical measure of deprivation can be established by correlating the index delivered by the application of the instrument to the data, with the available SAIMD index of deprivation compiled using the identical data source: the 2011 national census of population.

Procedurally, the process of devising a tool within the parameters of demonstrable validity and reliability as well as data availability, relies on three steps:

i. The selection of dimensions broadly representative of personal and living circumstance, considered to impact quality of life and deleteriously so where there is insufficiency.
ii. The selection of indicators to measure sufficiency in each dimension.
iii. The weighting of each dimension and indicator.

The dimensions, indicators and weighting devised for this study are illustrated in table 6-4. There are five dimensions and eighteen indicators. Each dimension is equally weighted, and each dimension indicator contributes an equivalent proportion to the dimensional weight. The rationale for the selection of these five dimensions is explained in the sub-section following. Each dimension represents a construct and each indicator a construct item. Association tests were conducted to establish inter-item consistency within each dimension.

6.4.1 Selection of dimensions

6.4.1.1 Income sufficiency

Income and the inverse – income insufficiency – is historically associated with poverty studies. Income insufficiency establishes consumption insufficiency. An inability to acquire the most basic requirements to sustain life is what gives rise to the so-called lower-bound poverty threshold as reviewed in the previous chapter, and the notion of absolute poverty. The upper-bound poverty line ascribes to those whose income does not achieve this level, the description of relative poverty. What is intuitive, is that limited income limits consumption and hence quality of life. Asset ownership, creditworthiness and hence mobility and security and quality of accommodations are compromised. The dimension is considered appropriate for inclusion in the study instrument.

6.4.1.2 Employment

Involuntary exclusion from the labour market limits income earning capacity and self-worth. The accoutrements of employment are enhanced social acceptability and potential social mobility. Where an overwhelming contextual characteristic is unemployment, the dimension is warranted for inclusion in the study instrument.

Table 6-4: Instrument for assessing the relative deprivation of KZN municipalities at district level

Weight	Dimension and indicators	Application
20%	**Income sufficiency**	
10%	Household income	Proportion of rebased household income to aggregate provincial household income.
10%	Dependency ratio	Proportion of population aged 0 - 14 years of age and 65 + years of age, to the working age population (15 - 64 years of age).
20%	**Employment**	
10%	Unemployment rate	Proportion of the population aged 15 - 64 years who are unemployed but who are not discouraged from looking for work, relative to the potentially employable population in the target group.
10%	Youth unemployment rate	Proportion of the population aged 15 - 34 years who are unemployed but who are not discouraged from looking for work, relative to the potentially employable population in the target group.
20%	**Education sufficiency**	
5%	Higher education attained (age 20+)	Proportion of population aged 20 + who have attained higher education, relative to the target group.
5%	Grade 12/Standard 10 obtained (age 20 +)	Proportion of population aged 20 + who have only a Standard 10/Grade 12 education, relative to the target group.
5%	No schooling (age 20 +)	Proportion of population aged 20 + who have no schooling.
5%	No school attendance (age 5 - 24 years)	Proportion of population aged 5 - 24 years of age who do not attend school, relative to the target group.
20%	**Living environment sufficiency**	
5%	No flush toilet, connected to sewage	Proportion of households with no flush toilet connected to a sewer system, relative to the total number of households.
5%	No local authority/private provider refuse removal	Proportion of households that do not enjoy refuse removal by local authority or private company, relative to the total number of households.
5%	No piped water inside dwelling	Proportion of households that do not enjoy the use of electricity for cooking, relative to the total number of households.
5%	Electricity not used for cooking	Proportion of households that do not enjoy piped water to dwelling, relative to the total number of households.
20%	**Material sufficiency**	
3.33%	Television ownership	Proportion of households with no television, relative to the total number of households.
3.33%	Refrigerator ownership	Proportion of households with no refrigerator, relative to the total number of households.
3.33%	Landline ownership	Proportion of households with no telephone landline, relative to the total number of households.
3.33%	Computer ownership	Proportion of households with no computer, relative to the total number of households.
3.33%	Cell phone ownership	Proportion of households with no cell phone, relative to the total number of households.
3.33%	Internet access	Proportion of households with no Internet access, relative to the total number of households.

Source: Author.

6.4.1.3 Education sufficiency

Education sufficiency dictates for the most part, access to employment opportunity. An absence of education will for the most part, give rise to social exclusion - not necessarily from immediate community, but from access to information and full participation in community life. Education features as a dimension in the reviewed indices of deprivation. Universal primary education is a MDG indicator. It is considered appropriate that education be included in the study instrument.

6.4.1.4 Living environment sufficiency

Where accommodation is compromised, living standard is reduced. The SAIMD has employed this dimension to good effect – it is selected to inclusion in the study instrument on this basis.

6.4.1.5 Material sufficiency

Where multi-dimensional deprivation measurement relies on available survey results, especially in relation to cross-country comparisons, material sufficiency serves as a proxy for income. However, there is not necessarily sufficient data to extract for suitable comparison. However, this study exploits the dataset provided by the national census of population. The population census interrogates living standard closely and data is available for extraction. The dimension is consequently included in the study instrument based on demonstrated relevance (MPI and SAIMD) and data availability.

6.4.2 Selection of indicators

6.4.2.1 Household income

The most straightforward indicator in principle, household income serves to measure consumption capacity. The lower the household income, the more compromised is the household's capacity to procure day-to-day essentials for sustaining life, including rent, food and transport. Limited income denies asset acquisition, limiting social inclusion and social opportunity as may be required, for example, of a tradesman obligated to possess his/her own tools. Household income as extracted from the data source, was rebased to equivalence of the best off district (eThekwini) with the provincial aggregate. The reciprocal proportion of each district's rebased income to the provincial aggregate household income, establishes eThekwini as neutral (the rebased household income is equal to the provincial aggregate household income) and the remaining ten districts as proportionately worse off than eThekwini.

This treatment means that the districts are positioned according to their relative household income deprivation, as required by this study.

6.4.2.2 Dependency ratio

The dependency ratio is a measure of the burden of financial maintenance that befalls the working age population aged 15 to 64 years. Hence, the population proportion aged 0 – 14 years and the proportion aged 65 +, are supported by the working age population. The higher the ratio, the greater the burden on the productive population.

6.4.2.3 Unemployment rate

Related to income sufficiency, the greater the level of unemployment the greater the prospect of deprivation. While the SAIMD utilises the expanded definition of unemployment in the analysis of the 2011 census (Noble et. al., 2013) the raw data in the form of population census responses to item P27 which serves to illustrate discouraged work seekers (Noble et. al., 2013) does not form part of the published results. This study uses the official unemployment rate, being individuals in the working age population who were unemployed in the week leading up to the census.

6.4.2.4 Youth unemployment rate

The breakdown of the unemployed population enables a youth unemployment figure, being the proportion of the population aged 15 – 34 years of age. This slice of the working age population represents a substantial proportion of the population who are socially excluded. Full participation in the social and political economy is precluded where the youth are unable to contribute to financial maintenance of family units.

6.4.2.5 Higher education attained (age 20 +)

The (former) Statistician-General has noted that even where poverty in South Africa has diminished, there is a stark association between educational attainment and poverty (Lehohla, 2014). Lehohla observed that "The relationship between education and poverty appears strong – as the poverty measures reflect, the lower the level of education attained, the more likely adults were to be poor and experience more intense levels of poverty" (2014, p30). Intuitively, educational attainment is interpreted as a gateway to employment. Employment opportunities in what is regarded as a neo-liberal economy are the preserve of capability and qualification; hence the incorporation of this indicator.

6.4.2.6 Grade 12/ Standard 10 obtained (age 20 +)

In a similar vein, secondary educational attainment is incorporated in the education dimension.

6.4.2.7 No schooling (age 20 +)

Again, the absence of education is included as an indicator in the education dimension. Lehohla records that the incidence of poverty for adults aged 18 and older who enjoy no education, is 66% (2014) hence the inclusion of this indicator.

6.4.2.8 No school attendance (age 5 - 24 years)

It is reasonable to expect that where a marginalised group are deprived of opportunity, overall deprivation and income poverty is unlikely to decline. Where a schooling system age-appropriate population does not enjoy educational opportunity for whatever reason, it may be expected that deprivation could remain an endemic feature of that population sub-group. Hence, the inclusion of the indicator in the education dimension.

6.4.2.9 No flush toilet

Quality of accommodation is used by the SAIMD and the MOI as indicator of variance from what may be regarded as an appropriate standard of living. Where flush toilets are unavailable, there is a simultaneous decline of the living environment. Accordingly, where sanitation is lacking, one may expect deprivation to be greater and this indicator is selected to reflect living environment sufficiency.

6.4.2.10 No refuse disposal facility provided

Where local authorities provide refuse removal, or where contracted private service providers provide this, one may reasonably expect an improved living circumstance. In the absence of refuse removal, communities can attempt self-disposal; however, for an income and material possession deprived population sub-group, this is limited in the main to burning, not sanitary and regular removal to a waste facility. The consequence is degradation in living environment and this indicates the relevance of including this indicator in the living environment sufficiency dimension.

6.4.2.11 Piped water access

Local authorities provide piped water to dwellings and communal standpipes. Where water must be retrieved from other sources, a burden of water resourcing impinges on the availability of household resources for other aspects of sustaining living standard. The MPI views access to safe drinking water as an indicator of living standard (2011). The South African census views access to potable water as an indicator of poverty and interrogates this feature of households (2012). The census municipal fact sheet

provides a data record of water piped to households, and this is selected as an indicator as an element of living standard sufficiency.

6.4.2.12 Electricity not used for cooking

Where electricity is not available, one may expect related electricity consumption items to be lacking in the living environment. The items (refrigeration, television, computer ownership) are integral to quality of living standard, in terms of hygiene and access to information and human contact. Where no electricity reticulation is available, it may be assumed that food preparation is impinged, hence the use of this easily interrogated indicator as a living standard. Utilised in both the SAIMD and MPI, this indicator is included in the study instrument.

6.4.2.13 Television ownership

The interaction of limited communication and education and information exchange and retrieval, and deprivation was reviewed in the previous chapter. In a modern economy, television serves to educate and inform, as well as entertain. The absence of television is included for this reason as an indicator of the alienation of households from education and information.

6.4.2.14 Refrigerator ownership

Where refrigeration is absent, food consumption is limited to dry goods and/or the risk of unsafe food consumption is elevated. This indicator is used in the study as an indicator of relative deprivation.

6.4.2.15 Landline ownership

An absence of telephone landline infrastructure is a legacy of the ideological practice that rolled out infrastructure primarily to areas inhabited by the white population benefiting from exclusionary political ideology. The scale of the shortfall in infrastructure and associated cost-inefficiencies prohibits roll out of additional infrastructure to rural areas, hence the requirement by government for digital telephony providers to install infrastructure in rural regions. KZN being noted as a largely rural province (see Lehohla, 2014), the prospect of landline infrastructure being adequately available is limited. The restriction on communication is therefore noted as an indicator of living standard sufficiency.

6.4.2.16 Computer ownership

Related to education and information exchange, computer ownership provides education opportunity to children and adults alike, and where the Internet is a simultaneous add-on, as a communication and

information tool of substance. It is included in the instrument as an indicator of living standard because of the associated acquisition outlay.

6.4.2.17 Cell phone ownership

The availability of mobile telephony was viewed at inception in the 1990s as a potential avenue for overcoming the paucity of communication infrastructure, especially so in rural communities. Popular knowledge has it that cell phone penetration is substantial. If this is the case, an absence of cell phone ownership as a household item, as interrogated by census survey, will indicate a contribution to relative ill-being.

6.4.2.18 Internet access

Viewed by the census designers as a household good, the element is included in the study instrument as a living standard sufficiency indicator. It bears clear links to social exclusion.

6.4.3 The weighting of dimensions and indicators

Noble et al. (2006) reflect that weighting is inevitable when dimensions are summed and that altering the proportionately equal weighting that results is entirely arbitrary, especially where there is no empirical evidence or theoretical considerations to suggest this is good practice. In the construction of the MPI, the authors resorted to equal weighting "in the absence of evidence suggesting differential weights should be used" (2006, p31).

Alkire and Foster (2009, p15) contend "there may be good arguments for using general weights. Indeed, the choice of dimensional weights may be seen as a value judgement which should be open to public debate and scrutiny." The authors cite Anderson (2002) in recording that equal weighting has an intuitive appeal: "the interpretation of the set of indicators is greatly eased where the individual components have degrees of importance that, while not necessarily exactly equal, are not grossly different" (Alkire and Foster, 2009, p15).

The instrument devised for this study assigns equivalent weights to each dimension, there being no evidence to suggest that this is not an appropriate treatment. It is noted that avoiding parsimony by utilising five dimensions and eighteen indicators limits the prospect of overlooking factors that may influence the successful measurement of relative wellbeing.

Inter-item correlation coefficients were investigated to substantiate the internal validity of the instrument as a deprivation measure.

6.5 FIRST PHASE ENQUIRY PROTOCOL: ASSESSING NPO DISPERSION

NPOs operate in areas of public welfare and in areas of public interest. However, while it was shown in chapter three that NPOs in South Africa are required to register with a Directorate should they wish to be considered eligible for receipt of government funding, the diverse range of NPO interest and objective suggests that not all registered NPOs undertake welfare-oriented service provision. Hence while the national data base of registered NPOs maintained by the NPO Directorate can be filtered by province to isolate the population of KZN NPOs, it is also necessary to establish criteria by which directorate-registered NPOs not actively engaged in direct provision of welfare services to the KZN human population, can be eliminated from the analysis.

Further, it is observed that not all NPO's make application for, or receive funding from the government. Hence, it is necessary for completeness to measure not only:

a) the dispersion of registered welfare-oriented NPOs by district throughout the province; but also:
b) the dispersion of NPOs in receipt of government funding made available to assist with the funded NPOs' objective of delivering services intended to promote human welfare.

The following sub-sections detail the study approach to undertaking dual analysis of both registered NPOs and NPOs fortunate enough to be funded by government, and elimination of superfluous data items.

6.5.1 Dual analysis of distinctive NPO populations

The population of funded NPOs in KZN represents less than a fifth of all welfare oriented NPOs in the province. Consequently, a dual approach is followed that addresses:

a) the dispersion of registered NPOs undertaking welfare provision focused on ameliorating the ill-being of citizens; and
b) the dispersion of NPOs in receipt of government funding.

The former represents a comprehensive appraisal of well-intentioned NPOs and the latter an acute appraisal of government-assisted welfare service provision channelled to deserving communities.

The national NPO register released in April 2012 recorded 85 248 NPOs. Preliminary data analysis reveals that 16 997 data records locate KZN as the province of registration. The data can be filtered by physical address, enabling assignment of locality in a district municipal demarcation or the eThekwini metropole. Identified KZN NPOs can be further decomposed according to broad sector, broad objective and particular

scope of activity. There are eleven sector distinctions and 74 distinct activity descriptions. The eleven sector distinctions are illustrated in table 6-5.

Welfare provision undertaken by the DSD categorises welfare activity by programme (this was discussed in chapter two). The ten welfare provision DSD programme categories funded by the DSD do not align with the NPO classification. The ten DSD programme categories are illustrated in table 6-5, contrasted with the eleven NPO register sector distinctions.

Table 6-5: Social Welfare Services categories of welfare support and NPO register sector distinctions

DSD Programme categories	NPO register sector distinctions
1. Substance Abuse Prevention and Rehabilitation	1. Education and Research
2. Care and Services to Older Persons	2. Law, Advocacy, and Politics
3. Crime Prevention and Support	3. Environment
4. Services to Persons with Disabilities	4. Religion
5. Child Care and Protection Services	5. Business and Professional Associations, Unions
6. Victim Empowerment	6. Social Services
7. HIV / AIDS	7. Development and Housing
8. Care and Support Services to Families	8. Health
9. Youth Development	9. International
10. Sustainable Livelihood	10. Philanthropic Intermediaries and Voluntarism Promotion
	11. Culture and Recreation

Source: Author.

In the absence of clear alignment of the treatment of NPO classification in the national register and the operational treatment by the DSD in delivering programmatic assistance, the approach adopted by this study is to undertake analysis and description in the instance of contracted NPOs, according to the operational classification adopted by the DSD. This is illustrated in table 6-6.

It has been recorded that a dual analysis of NPO dispersion is indicated, analysing all registered NPOs and all government assisted NPOs respectively. The breakdown illustrated in table 6-6 preceding serves as the framework by which government funded NPO activity and distribution are assessed in this study. The second trajectory of analysis counts NPOs by district according to the NPO register thematic classification and is illustrated in table 6-7. This frame excludes counting of NPOs where the activity description is considered remotely related to direct welfare provision to deprived communities. The rationale for eliminating NPOs pursuing the eliminated thematic areas is explained in the section following presentation of table 6-7.

Table 6-6: DSD programme categories and classes of funded NPO

DSD Programme categories	DSD classes of funded NPO	
1. Substance Abuse Prevention and Rehabilitation	• Welfare Organisations • Treatment Centres	• Outpatient Clinic
2. Care And Services to Older Persons	• Homes for the Aged • Welfare Organisations	• Service Centres
3. Crime Prevention and Support	• Welfare Organisations	
4. Services to Persons with Disabilities	• Homes for the Disabled • Protective Workshops • Welfare Organisation	• Children's Home • Private Place Of Safety • Shelters for Children
5. Child Care and Protection Services	• Early Childhood Development	
6. Victim Empowerment	• Shelters for Women	• Welfare Organisations
7. HIV / AIDS	• Home Community Based Care	
8. Care and Support Services to Families	• Welfare Organisations	
9. Youth Development	• Welfare Organisations	• Youth Development Services
10. Sustainable Livelihood	• Community Project	

Source: Author.

Table 6-7: Objective classes of NPO recorded in the national NPO register

1.	Animal Protection
2.	Civic and Advocacy Organizations
3.	Economic, Social and Community Development
4.	Emergency and Relief
5.	Employment and training
6.	Environment
7.	HIV/AIDS
8.	Hospitals and rehabilitation
9.	Housing
10.	Income Support and Maintenance
11.	Law and Legal Services
12.	Mental Health and Crisis Intervention
13.	Nursing Homes
14.	Other Education
15.	Other Health Services
16.	Primary and Secondary Education
17.	Recreation and social clubs
18.	Service clubs
19.	Social Services
20.	Sports

Source: Author.

6.5.2 Elimination of superfluous NPO data

Eight classes of NPO pursuing objectives remotely connected to direct welfare provision to deprived communities are eliminated from the counting frame of registered NPOs. The eight classes and the considered rationale for eliminating them from the counting frame and the quantum of eliminated NPOs are illustrated in table 6-8.

Table 6-8 (i): NPOs eliminated from the population data set

Objective, as per NPO register classification	Rationale for elimination	No. of NPOs eliminated
Business and Professional Associations, Unions	These organisations are NGOs, and for the purpose of recognition in the South African legislative environment have registered as NPOs, but do not engage in welfare provision at community level.	64
Culture and Arts	While culture and arts includes activities such as the production and dissemination of information and communication, it is deliberated that promotion and appreciation of the humanities, preservation of historical and cultural artefacts, historical societies, poetry and literary societies, language associations, and war memorials, do not constitute direct welfare provision to deprived individuals and communities. Similarly, music ensembles, zoos and aquariums and organisations engaged in the production, dissemination and display of visual arts and architecture, including sculpture, photographic societies, painting, drawing, design centres and architectural associations, are considered remotely related to welfare provision to deprived communities and individuals.	582
Higher Education (university level)	This class provides for academic degrees and includes universities, business management schools, law schools and medical schools. There is no link to direct welfare provision.	35
International Activities	Organisations that collect, channel and provide aid to other countries during times of disaster or emergency and organisations which promote and monitor human rights and peace internationally, are not remotely connected to the beneficence of deprived communities in KZN.	33
Philanthropic intermediaries and voluntarism promotion	This classification provides for private grant making foundations, including corporate foundations, community foundations and independent public-law foundations. While funds raised may filter through to service provision in deprived communities, this link is considered too remote to include the class in the study counting frame.	175
Political organizations	Activities and services to support the placing of particular candidates into political office, dissemination of information, public relations and political fundraising do not align with welfare provision to deprived individuals and communities.	1
Religious Congregations and Associations	The registration of religious congregations as NPOs accrues benefits related to exemption from income tax. While congregations engage in outreach work, this is not a primary reason for registration, nor does it represent their *raison d'être.*	2 068

Table 6-8 (ii): NPOs eliminated from the population data set

Objective, as per NPO register classification	Rationale for elimination	No. of NPOs eliminated
Research	This includes physical and life sciences and engineering technology, social science and policy areas. Donations to registered NPOs who are simultaneously registered as Public Benefit Organisations, represent a tax deduction for donors. The registration by organisations involved in research as NPOs has little immediate bearing on the day-to-day wellbeing of deprived individuals and communities.	18
	Total NPOs eliminated from population data set	2 976

6.6 FIRST PHASE ENQUIRY PROTOCOL: DATA ASSEMBLY, TRANSFORMATION AND ANALYSIS

The assembly of data required to compile, firstly, a multidimensional index of deprivation for the eleven municipal areas and secondly, the spatial distribution of NPOs in the province was undertaken by scrutiny, analysis and transformation of the raw data points in the four data sources: the 2011 population census, the 2012 DH annual performance report, the DSD NPO Directorate NPO register and the 2013 DSD annual performance report. The NPO register is published in MS Excel worksheet form. The remaining data is published as pdf documents available online, convertible to MS Excel format.

A data table was created in MS Excel to derive deprivation indices for the deprivation dimensions. Data for this table was sourced from the 2011 census report and the 2012 KZN Department of Health performance report.

The NPO Directorate national register of NPOs was firstly arranged by province. The KZN NPOs thus isolated, were assigned a municipal location based on the NPO registered address. This data file of registered NPOs can be decomposed broadly by sector and more specifically by each NPO's primary objective.

The 2013 DSD annual performance report annexure of financial transfers to NPOs was converted from pdf file to MS Excel file. This data records all welfare oriented NPOs that successfully applied for and hence received financial assistance towards achieving their objectives in the period April 2012 to March 2013. In MS Excel format, the data can be interrogated and transformed using spreadsheet functionality. A data table was prepared illustrating categories/classes of funded NPOs, by district.

The four research objectives were procedurally approached as described in sub-sections 6.6.1 to 6.6.4 inclusive.

6.6.1 Evaluation of the scope and quantum of KZN NPO sector activity

This task represents an exercise in description, based on scrutiny and analysis of the data. Sectoral activity is described according to the international classification of NPOs. Distinction is drawn between registered NPOs in KZN and (necessarily registered) NPOs assisted in welfare endeavour in the period 2012-2013. The periodicity overlap is emphasised: funding disbursed in the 2012-2013 period was approved to NPOs making application for funding in the 2011-2012 period. These NPOs would consequently have appeared on the national NPO register released in April 2012.

6.6.2 Isolation and identification of the spatial distribution of KZN NPOs

The geographic distribution of NPOs in the province is described according to their registered office. Registered welfare organisations are distinguished from those NPOs who received funding in the 2012-2013 period. NPOs are isolated according to international classification and by provincial government funding category.

The NPO Directorate database is validated as a reliable illustration of regional NPO activity by correlating this data with the reporting of the DSD on financial transfers to NPOs by the KZN provincial DSD.

6.6.3 Isolation and identification of discernible population socio-economic characteristics of each of the eleven KZN districts.

The population census data is selected to populate the instrumentation determined in 6.4 supra. The dimensions and indicators are illustrated by district-level municipal demarcation.

6.6.4 Determination of the pattern of association between KZN district socio-economic characteristics and NPO distribution

The quantum of registered NPOs providing welfare services in each district of the province is a simple frequency measure of NPO incidence. The scope and extent of the association between deprivation and NPO dispersion can be measured by comparing the spatial deprivation of district municipalities and registered NPOs.

The quantum of registered NPOs providing welfare services and receiving government funding assistance towards this objective, advances the measure of NPO incidence to one of NPO prevalence. The extent of the association between spatial deprivation incidence and funded NPOs can be evaluated.

The quantum of government funding channelled to deprived communities through funded NPOs represents the intensity of the state's attendance to individual and community deprivation. The extent of the

association between spatial deprivation and the average funding transfer to the funded NPOs in each district can be evaluated.

6.7 SECOND PHASE ENQUIRY PROTOCOL: DATA ASSEMBLY, TRANSFORMATION AND ANALYSIS

The second wave of research undertakes quantitative longitudinal analysis, prompted by the interim conclusions of the first wave. The intention is to interrogate the state's funding modality (see the problem statement of the second wave, sub-section 6.2.2), with the express purpose of identifying the ostensible social development outcomes-effectiveness of the prevailing model.

The primary tool of analysis is hence regression, an elegant extension of the correlation that underpins the first wave analysis procedures. However, the proposition upon which the second phase research approach is predicated (see sub-sub-section 6.2.3.2), arises in two parts: first, the funding pattern must be appraised to detect consistency and coherence. Second, the cogency of the social policy that manifests the NPO-funding modality deliberated by the state as impulsion for social development, must be argued. For, taken together, if the modality funding pattern is exposed as inconsistent or apparently arbitrary, and/or unrelated to the criteria established as cogent for social development (such as removing constraints to self-reliance, improving access to key productive resources, enabling increased value of productive outputs), the modality can be concluded as ineffective at best and egregiously specious at worst.

Regressing government contractual disbursement to NPOs in KZN, by district municipality, on the respective district municipalities' poverty headcount, for the five-year time series, enables interpretation of the consistency and coherence of the DSD's categorical funding of NPO-conducted social development welfare programmes. This requires a panel data set comprising a data set of DSD programmatic funding, by district, for the time-series duration, and a data set of the change in deprivation over the time-series period. The former is derived from data scraped from the DSD's annual reports in KZN for the five-year time-series period. Following the same procedure by which the 2013 DSD annual performance report annexure of financial transfers to NPOs was converted from pdf file to MS Excel file in the first wave of research, the subsequent four years' data was similarly collected. Encompassing all welfare-oriented NPOs that were contracted by the DSD in the fiscal periods ended March 2014 to 2017 inclusive, this generates five years' KZN provincial government disbursements to welfare NPOs. Five data tables were prepared using MS Excel spreadsheet data manipulation functionality, illustrating the funded NPOs by each programmatic funding category, in each of the district municipalities. This enables descriptive representation, and introduction to Stata for regression analysis and associated assumption testing.

There exists insufficient information to replicate the derivation of poverty and/or deprivation scores for the five-year time series with the same reliability as undertaken with developed instrumentation, so the change in deprivation over the time-series period was extracted from the Stats SA 2016 Community Survey data. This survey is conducted as a measure between census enumerations, the last-but-one taking place in 2007. Stats SA measure deprivation in this interim population analysis as a 'poverty headcount', "based on the South African Multidimensional Poverty Index (SAMPI) … an index that is constructed using eleven indicators across four dimensions, namely health, education, living standards and economic activity" (Stats SA, 2016, vii). This is essentially the same construct that informed the computation of a categorical deprivation threshold index for the first phase of the study.

The 2016 Community Survey reports the 2016 poverty headcount measure together with the respective national census comparators. The data verification procedures of Stats SA can be relied upon to present the 2016 and the earlier census comparators, as equivalent statistical indicators. There being no valid basis to assume anything other than a linear relationship, poverty headcount measures for the intervening years (2013, 2014, 2015) between the Census (published in 2012) and the Community Survey (2016) were arithmetically interpolated. This treatment establishes a poverty headcount aligned temporally to the KZN provincial government's disbursement to select NPOs in the financial years 2012/13, 2013/14, 2014/15, 2015/16 and 2016/17 (calendar periods underlined for emphasis).

6.7.1 Variable selection and functional form

With a continuous independent variable (annual DSD disbursement to NPOs expressed in local currency units) and a discrete, but quantitative, dependent variable (district municipality poverty headcounts, expressed as percentage), linear regression can be exploited to establish the impact of government welfare services spending on regional ill-being. The goal of regression being either explanatory or predictive, this research sets out to determine the extent to which annual spending by the KZN DSD adequately explains poverty head count reduction.

The premise exploits the state's assertion that its modality is best described as developmental welfare (see sub-sub-section 6.2.3.2). Were this the case, the not inconsiderable annual disbursement to NPO contractors could be anticipated to predict a reduction in ill-being, measured by municipal district poverty headcounts. The general form of the model is:

$$\text{WELLBEING} = f \quad (\text{CARELDER , CARFAM, CARCHILD, CRIMEPRE, HIVAIDS, DISABLED, SUBSABUSE, VICTIMEMP, SUSLIVE, WOMDEV, YOUTHDEV, U}) \qquad (1)$$

Where

- → WELLBEING = poverty headcount
- → CARELDER = disbursement on NPOs providing care to elders
- → CARFAM = disbursement on NPOs providing care to families
- → CARCHILD = disbursement on NPOs providing child care
- → CRIMEPRE = disbursement on NPOs providing services related to crime prevention
- → HIVAIDS = disbursement on NPOs providing services to victims of HIV/AIDS
- → DISABLED = disbursement on NPOs providing services to the disabled
- → SUBSABUSE = disbursement on NPOs providing services to victims of substance abuse
- → VICTIMEMP = disbursement on NPOs attending to victim empowerment
- → SUSLIVE = disbursement on NPOs attending to facilitating sustainable livelihoods
- → WOMDEV = disbursement on NPOs attending to facilitating women development
- → YOUTHDEV = disbursement on NPOs attending to facilitating youth development
- → U = other unknown factors

The functional form representing this KZN population multivariate regression, is:

$$Y = \beta_0 + \beta_1 X_1 + \ldots + \beta_k X_k + \varepsilon \qquad (2)$$

Where:

- → Y represents the dependent variable poverty headcount percentage
- → β represents the true population parameter coefficients (not estimates of population parameter coefficients)
- → X represents the independent variables
- → ε represents unexplained variance.

However, while the necessary tests (generated by Stata's functionality) negated any concerns as to heteroscedasticity (Parks test) and autocorrelation (Runs test), government's social development funding

classes are predictably and notably correlated. Severe data multicollinearity rendered fluent interpretation of the multivariate regression model attempts impossible. While predictive analysis does not depend on the role of independent variables and hence interpretation of the variable coefficients, the emphasis on explanation for this data model, obligated rectification. This was achieved by linearly combining the programmatic funding classes, summing the disbursements to NPOs for all programmes in each municipal district, resulting in the simple regression notation:

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon \quad (3)$$

While this action had the desired effect of negating multicollinearity, a further problem presented. The dependent variable (poverty headcount) is measured as a percentage, but the change between observations is measured in absolute terms. Two alternatives for rectification were considered, the first being to logarithmically transform the poverty headcount dependent variable. The adjusted functional form renders interpretation of the independent variable coefficients for each of the eleven municipal districts possible as a percentage, with the log-linear model notational functional form:

$$\log (Y) = \beta_0 + \beta_1 X_1 + \varepsilon \quad (4)$$

Where:

- $\rightarrow \log (Y)$ represents the poverty headcount dependent variable in each municipal district
- $\rightarrow \beta_1 X_1$ represents the population parameter coefficient of government social development spending in each municipal district
- $\rightarrow \varepsilon$ represents unexplained variance.

However, two further issues presented, the first of these being the miniscule percentage in poverty headcount, or relative district deprivation, for every unit of government contracting disbursement. The anti-deprivation impact of government's social development spending on welfare activities is so negligible, the β coefficient is not easily interpreted. This hurdle was overcome by simple arithmetic transformation, dividing by 100 000 each of the summed municipal district disbursement totals. This transformation improves ease of interpretation, with change in deprivation now a function of funding units measured in R100 000 multiples.

The second alternative for overcoming the hurdle presented by the proportional relationship form of the dependent variable, the district poverty headcount percentage, was to compute the poverty headcount as a product, of the district poverty headcount percentages and the district populations. Interpretation of the regression model can be more effectively conveyed in this form:

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon \qquad (5)$$

Where:

- → Y represents the quantum of individuals in each municipal district calculated to be deprived as a function of their multi-dimensional poverty
- → $\beta_1 X_1$ represents the population parameter coefficient of government social development spending in each municipal district
- → ε represents unexplained variance.

This functional form was used to model the regression reported in chapter eight. Only the main effects of DSD patronage were modelled. This notably excludes isolation of any interaction effects in respect of the interaction of the battery of welfare services provided by contracted NPOs. However, the objective of using linear regression was not to develop a predictive model, but to isolate and identify the negligible impact of welfare service provision on the KZN population's ill-being. My intention, is to distinguish, a) that the effect of each welfare programme category's disbursement is consistent throughout the range of poverty headcount values and, b) that the spatial relationship demonstrated by association testing, cannot be considered to indulge any significant explanation of the impact of NPO contracting on human deprivation.

Intuitively, as one might expect of a pragmatic realist, I believe this to be the case. However, generating scientifically reliable quantitative, factual evidence that it does not, renders in the first instance, this intuition a justified true belief. In the second instance, concrete evidence would direct me to explore, qualitatively, why this might be so. The three research objectives constituting the research question of the second wave of research were procedurally approached as described in sub-sections 6.7.2 to 6.7.4 following.

6.7.2 Measuring the change in KZN's regional deprivation intensity over the five years extending from the base year of 2012/13

Representing data description, this investigative task is a preliminary element required for the regression analysis to follow. The study dependent variable, the change in KZN's regional deprivation intensity over the five years extending from the base year of 2012/13, is measured by isolating the regional counts provided by the 2011 census (for 2012) and the 2016 community survey data, and interpolating the intermediate calendar years of 2013, 2014 and 2015. The change is best described by graphic data depiction.

6.7.3 Measuring the quantum and categorical allocation of funding by the state in KZN over the five years extending from the base year of 2012/13

Representing data description, this investigative task is also a preliminary element required for regression, and constitutes a panel data set in its own right. However, the change can be understood, and visualised, by tabulation and graphical representation.

6.7.4 Measuring whether the state's annual social welfare categorical funding allocation in KZN significantly explains reduction in the regional deprivation intensity

Financial disbursement by the KZN DSD across the eleven provincial municipal districts does not uniformly align with the incidence of deprivation exhibited across the province. Consequently, regression of NPO disbursement for the time series investigation period was conducted for each district municipality, as well as for the province as a whole, following the functional form (5) derived in sub-section 6.7.1 supra.

6.8 SUMMARY AND IMPLICATIONS

This research is informed by my familiarity with the context in which the research enquiry is situated: that of NPOs, and welfare provision in KZN. This appreciation, and my meta-theoretical stance on the utility of research enquiry generally, configures an enquiry that interrogates structural aspects of welfare service delivery by civil society in KZN. The research was designed in two phases. The first phase explores the proximal relationship between civil society welfare providers and the deprived beneficiaries of welfare services, so that the prospect for targeted resource allocation and efficient deprivation mitigation can be established. There is currently no evidence to this effect, available to any affected parties. This includes beneficiaries, benefactors, the NPO community, as well as the academic community who can be interpreted to be charged with maintaining intellectual integrity in matters of policy and policy execution.

The outcome of this first wave of research informs the design of the second wave, conducted as a longitudinal analysis focused acutely upon state-contracted NPO welfare providers. Setting out to explore the impact of the state's contracted-NPO funding modality, the second phase of the research identifies the outcomes-effectiveness of the prevailing government model, and enables derivation of both evidential and conceptual conclusions.

The first phase of research was conceived as a cross section, fixed according to the availability of public data coinciding in the 2012 calendar year. This data took the form of the most recent National Population Census (conducted in October 2011 and released in 2012); the release in 2012 by the DSD of the national register of NPOs; and the publication by the KZN DSD of its Annual Report for the year ended March 2013. The second phase was enabled as a longitudinal design, by virtue of the government's provision in provincial DSD Annual Reports of annual disbursement data to contracted NPOs. An acknowledged limitation of this body of research[3], is the limited availability of annual NPO disbursement data, this having only been made available commensurate with the 2012/13 period. However, conducting the study at the level of population, negates most if not all, of the limitations that could impact the validity and reliability of the quantitative findings, were this research to have utilised sample data.

6.8.1 Summary of the design aspects of the two research phases

Expenditure by government on welfare services provided by selected civil society providers is considerable, and effected according to a standardised model of disbursement based on NPO contractor service provision. However, the presumption that this disbursement is both prudent and efficacious, has hitherto not been tested. The process of welfare NPO provider selection is nominally rigorous but does not dictate the presence and capacity of NPOs where community need exists. In other words, substantial government welfare provision by contracted third party is determined primarily by the availability of suitably qualified NPOs and not the scope or intensity of community deprivation. Were welfare NPOs to exist coincidentally in a close proximal relationship to the deprivation patterned across the province, then funded NPOs will direct government disbursement optimally. Conversely, should NPOs not be present in the province's deprived areas, government funds could be disbursed sub-optimally. Were this found to be the case, it would obligate conclusion that there is little prospect of government's funding modality achieving any propitious amelioration of deprivation.

[3] Research limitations are addressed in section 10.4 of chapter ten of this report.

A multiple-dimensional model of deprivation assessment was designed, to exploit the deprivation data afforded by the 2011 census. The model was validated by comparison to the SAIMD, a deprivation assessment instrument devised to afford comparison of South African deprivation data with international experience of the phenomenon. By encapsulating multiple factors of deprivation, and avoiding the income cut-off typically associated with (income) poverty based measures, the instrument represents a means of measuring poverty occurring in the eleven municipal demarcations of the KZN province, to the end of establishing a regional ordinal deprivation ranking (deprivation data manifests as aspects of accessibility and ownership, and is hence not continuous).

Association testing (Pearson correlation coefficient) enables comparison of the regional dispersion of deprivation, to the spatial distribution of human welfare NPOs in the province. No directional relationship was assumed, there being no reasonable basis to presume a relationship. The association of deprivation incidence in the eleven municipal districts to NPO spatial distribution was iteratively analysed, commencing with a test for association with all welfare NPOs and concluding with a test for association of regional deprivation and all DSD-contracted NPOs.

The first wave of research informed the deliberation of the second wave, which set out on the groundwork of the first phase results to determine whether government's modality represents any degree of developmental-welfare outcomes-effectiveness. It is important to distinguish that the state's modality is predicated upon an ideologically-originated ambition to achieve social development, and not merely enhanced social welfare. To the end of establishing whether government's developmental-welfare ambitions are being realised, the second phase research protocol established a three-step process by which the impact of the KZN government's disbursements to contracted NPOs can be evaluated.

The three steps commenced with assessing the change in KZN's regional deprivation intensity over the five-year analysis period, extending from the base financial year ended March 2013. The second step measured the quantum and categorical allocation of NPO funding by KZN government, over the five-year analysis period. Finally, the KZN government's annual social development disbursement for the five-year analysis period was interpretively assessed by regressing annual disbursements to contracted NPOs on the change in poverty headcount.

The enquiry is considered to culminate with the completion of the second phase, where the quantitative factual evidence of both research phases is qualitatively interpreted, in conjunction with the rationale of government's modality. Government's rationale is expressed in the form of statements of intent, budget allocation supporting information and public utterances. Qualitative interpretation evaluates the plausibility

of the prevailing modality in promoting social development, according to an instrumental measure derived from the human development studies literature. This measure represents a criterion battery, enabling a degree of consistent, if not replicative, evaluative interpretation.

6.8.2 Implications of the research design upon the research process

This research is conceived and designed to scavenge the interface of national social policy, and civil society welfare provision. Universally accepted as a substantial and significant contributor to enhancing social good fortune, the South African NPO sector has burgeoned since government's introduction in 1997 of a regulatory regime. However, the interface to which I refer remains under-researched. Documenting the scope and nature of this interface, in a population study of the KZN province, provides a trove of data, information, and hence knowledge. The primary implication, therefore, for this methodological design, is the opportunity it represents to establish a replicative frame of reference by which the remaining eight provinces can be uniformly assessed. The riches that a national study will ultimately represent, enables considerably elevated, evidence-based infrastructure, process and activity decision-making by policy makers, NPOs, and benefactors.

However, this represents a longer-term goal beyond the scope of the current study, and the immediate objective is to conceive, undertake and conclude the current body of research. The deductions and inferences of the qualitative component of the second research phase conclude the research enquiry, for it is in the discernment of the outcomes-effectiveness of government's modality, that the overarching objective of the current research is ultimately addressed. The utility of the study vests in both the factual and the conceptual conclusions. Mobilising taxpayer funds to the end of developing the sociality of the nation is an acknowledged and universal practice. However, were this mobilisation to represent an inefficiency, an incomplete conceptualisation, then it would be rendered a crass deception by government, one exerted upon both the benefactors as well as the targeted deprived beneficiaries of the intervention. Looking to civil society to resist such an incivility by government is a lost cause, for the evidence suggests the NPO segment of civil society has been assiduously manoeuvred into mute compliance.

CHAPTER 7

FIRST PHASE DATA ANALYSIS AND INTERPRETATION

7.1 INTRODUCTION

The first phase of research enquiry is an exploratory cross sectional quantitative analysis conducted at the level of population, seeking to derive descriptive parameters. The populations are, respectively, the NPOs directly delivering welfare services to deprived communities in KZN, and the deprived communities in the province. The first wave of enquiry seeks to establish the:

a) service profile of the NPOs operating in the province;
b) spatial dispersion of these NPOs;
c) socio-economic deprivation profile of the KZN human population as a spatial phenomenon;
d) pattern of spatial association between the NPO population and the deprived inhabitants of the province, generally; and the
e) pattern of spatial association between the NPO population contracted by the state to provide welfare services on its behalf, and the deprived inhabitants of the province, specifically.

Dispersion is established at the level of municipal district, for the eleven demarcated municipal boundaries. It is unknown whether a pattern of association exists because this has not hitherto been subjected to analysis. This study seeks to generate sufficient evidence to assist social policy decision making, given the extent of the reliance by government on the third sector population of NPOs in alleviating the welfare shortcomings of deprived individuals and households.

This chapter reports analysis of the population of NPOs and the province's human populations. The provincial NPO population was derived from the national register of NPOs maintained by the DSD's NPO Directorate. The 2011 national population census contributes provincial population data. Data in respect of the government-contracted NPO population was scraped from the DSD annual report reporting the disbursements to these partner organisations.

The respective NPO master- and sub-populations, together with the district populations of deprived are described, and the patterns of association analysed. The chapter concludes with a discussion of the preliminary conclusions that can be drawn from this first phase of enquiry. The outlook for state-contracted welfare service provisioning is determined to be favourable, but a proposition is advanced that calls for further investigation in the form of the second phase of this enquiry, to interrogate whether the apparent cause for contentment with the preliminary conclusions, in fact rings true.

7.2 DESCRIPTIVE ANALYSIS OF THE NPO POPULATION

This section addresses the required analysis of the registered NPO population.

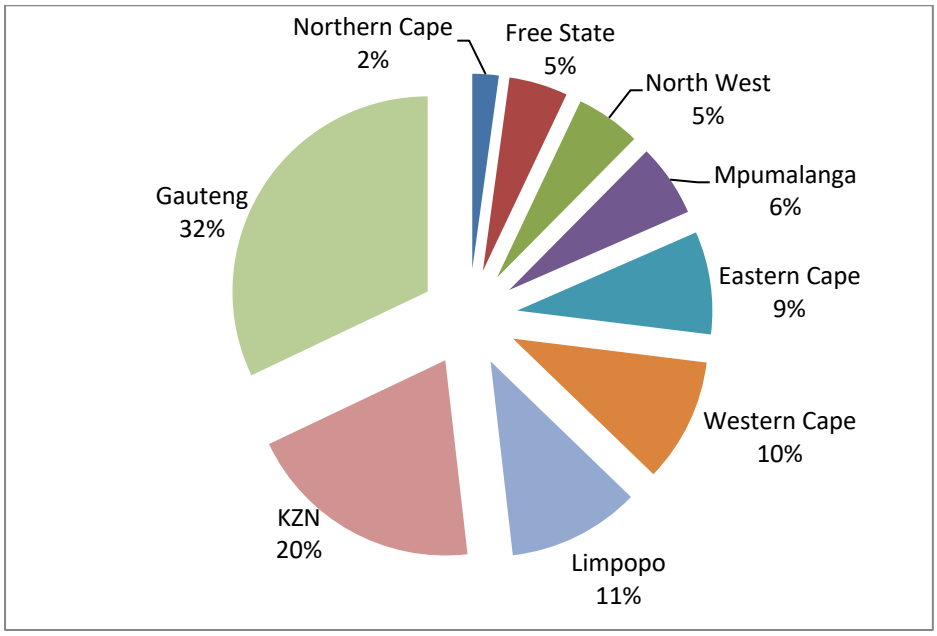
7.2.1 The National Directorate-registered NPO population

The national register of NPOs maintained by the NPO Directorate of the DSD contains 85 248 data records. The provincial breakdown is tabled in table 7-1. The majority of NPOs is observed to be situated in the provinces of Gauteng and KZN. This phenomenon is depicted in figure 7-1.

Table 7-1: NPO Directorate-registered NPOs, by province

Province	Count	Proportion
Northern Cape	1 858	2%
Free State	4 150	5%
North West	4 581	5%
Mpumalanga	5 131	6%
Eastern Cape	7 259	9%
Western Cape	8 750	10%
Limpopo	9 342	11%
KZN	16 846	20%
Gauteng	27 331	32%
Total for RSA	85 248	100%

Figure 7-1: Provincial distribution of South Africa's registered NPOs



Some records in the dataset are erroneously captured. These records are discarded, as are records reflecting primary activity disconnected from the provision of welfare services to deprived individuals and communities. While the rationale for data record exclusion is detailed in chapter six, sub-section 6.5.2, table 7-2 illustrates the record extraction exercised for ease of reference.

Table 7-2: Treatment of NPO dataset records in preparation for analysis

Description	Frequency	Treatment
Total unique records	85 248	Subjected to pre-analysis
Total KZN records	16 650	Extracted for analysis for this sudy
Erroneous KZN records	47	Discarded
Inappropriate KZN records	2 976	Excluded
Retained KZN records	13 674	Subjected to analysis

7.2.2 Descriptive analysis of the KZN NPO population

NPOs can be discerned per the primary activity recorded in the national register. This is labelled 'class of NPO' in table 7-3.

Table 7-3 (i): Classes and quantum of KZN NPOs

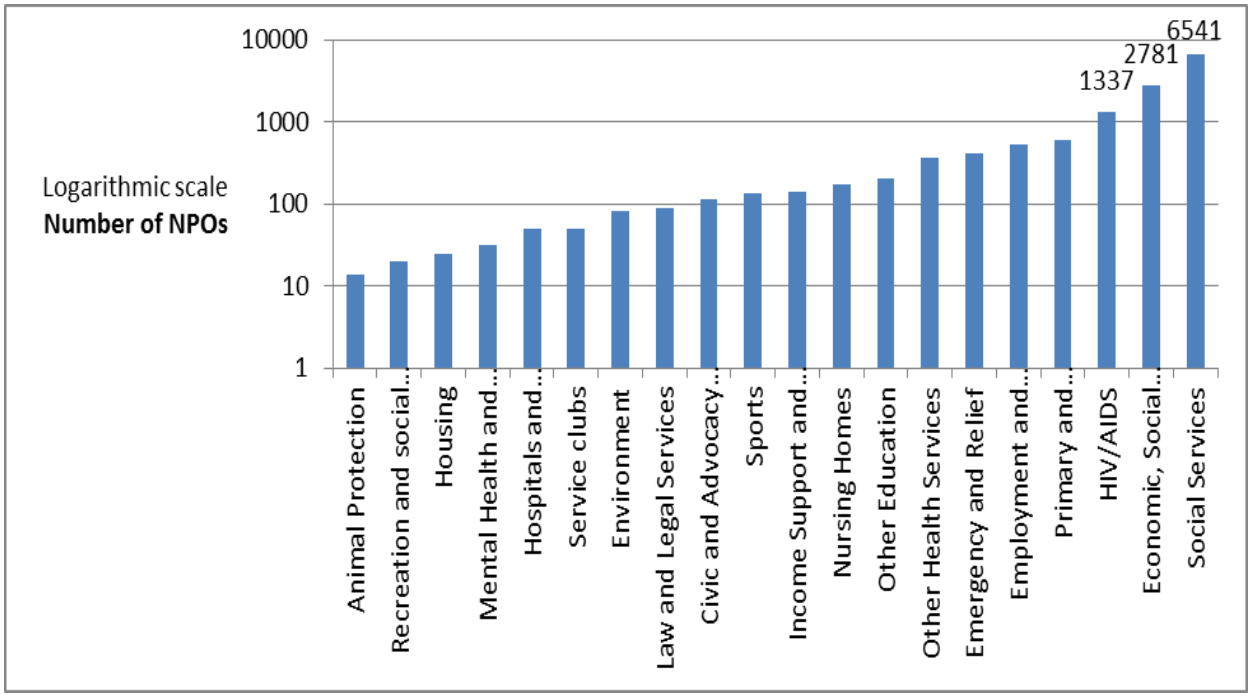
Class of NPO	Count	%
Animal Protection	14	0.1%
Recreation and social clubs	20	0.1%
Housing	25	0.2%
Mental Health and Crisis Intervention	32	0.2%
Hospitals and rehabilitation	50	0.4%
Service clubs	50	0.4%
Environment	81	0.6%
Law and Legal Services	90	0.7%
Civic and Advocacy Organizations	112	0.8%
Sports	133	1.0%
Income Support and Maintenance	141	1.0%
Nursing Homes	174	1.3%
Other Education	200	1.5%
Other Health Services	371	2.7%
Emergency and Relief	406	3.0%
Employment and training	522	3.8%
Primary and Secondary Education	594	4.3%

Table 7-3 (ii): Classes and quantum of KZN NPOs

Class of NPO	Count	%
HIV/AIDS	1 337	9.8%
Economic, Social & Community Development	2 781	20.3%
Social Services	6 541	47.8%
Provincial cumulative total	**13 674**	**100.0%**

The rank order frequency distribution of the NPO classes of table 7-3 is graphically illustrated in figure 7-2.

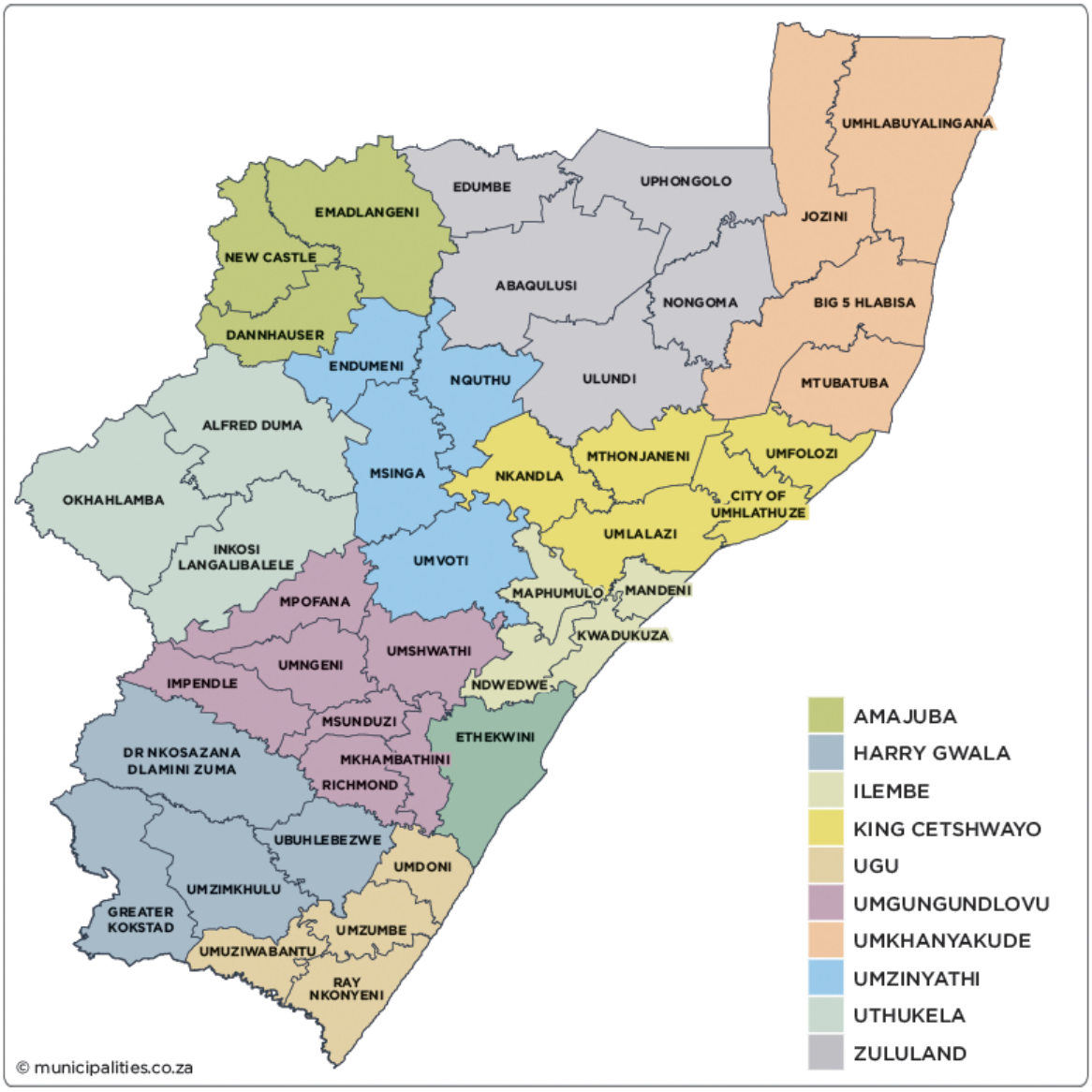
Figure 7-2: Distribution of NPOs by class of activity, in rank order



It is evident that substantially the greater delivery of service is encompassed by three categories or classes of activity: a) social services; b) economic, social and community development; and c) organisations addressing the prevention of HIV/AIDS and associated education provision. These three classes are hereinafter referred to as the *big-three* NPO classes.

The spatial distribution of the welfare NPO population and the big-three NPOs is identified and described in section 7.2.3 following. However, before advancing the analysis it is appropriate to assist the reader in more easily grasping the frequent reference made to the eleven municipal jurisdictions that make up the KZN province, by illustrating the province's district municipality boundaries. The municipal jurisdictions are illustrated in figure 7-3.

Figure 7-3: KZN District Municipalities



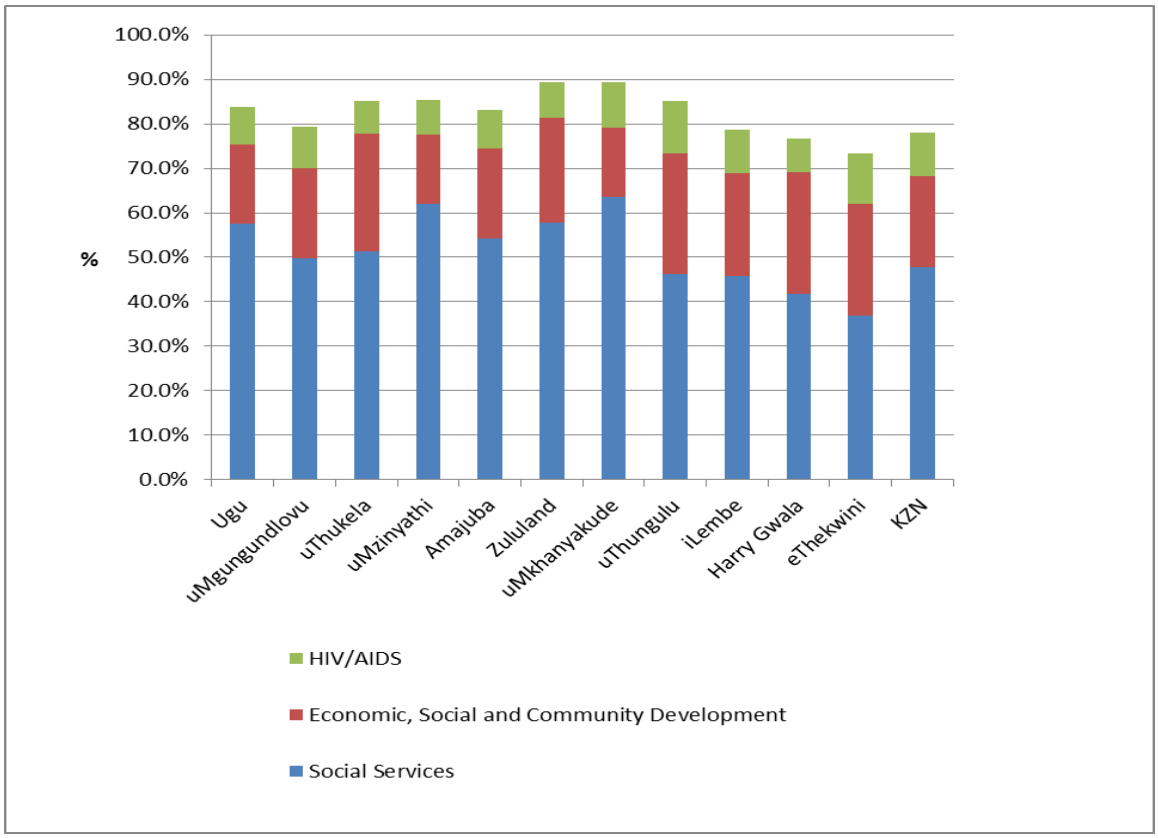
Source: http://www.localgovernment.co.za/provinces/view/4/kwazulu-natal

7.2.3 NPO spatial dispersion

Spatial dispersion of registered NPOs in KZN can be illuminated by district analysis, depicted in table 7-5. The data reveals that iLembe district municipality has the lowest proportion of NPOs at 3.5% of the provincial total, and eThekwini the greatest proportion at 30.3%. It is postulated that the Ilembe municipality, notably close to the eThekwini metropole, enjoys an NPO presence of which a portion could well demonstrate Durban registered office. The remaining district municipalities demonstrate a rate of NPO registration of between 3.5% and 13.8% of the provincial total.

The big-three comprise 78% of the quantum of NPOs registered in the province. The comparative distribution of the big-three NPO classes across the district municipalities is illustrated in figure 7-4.

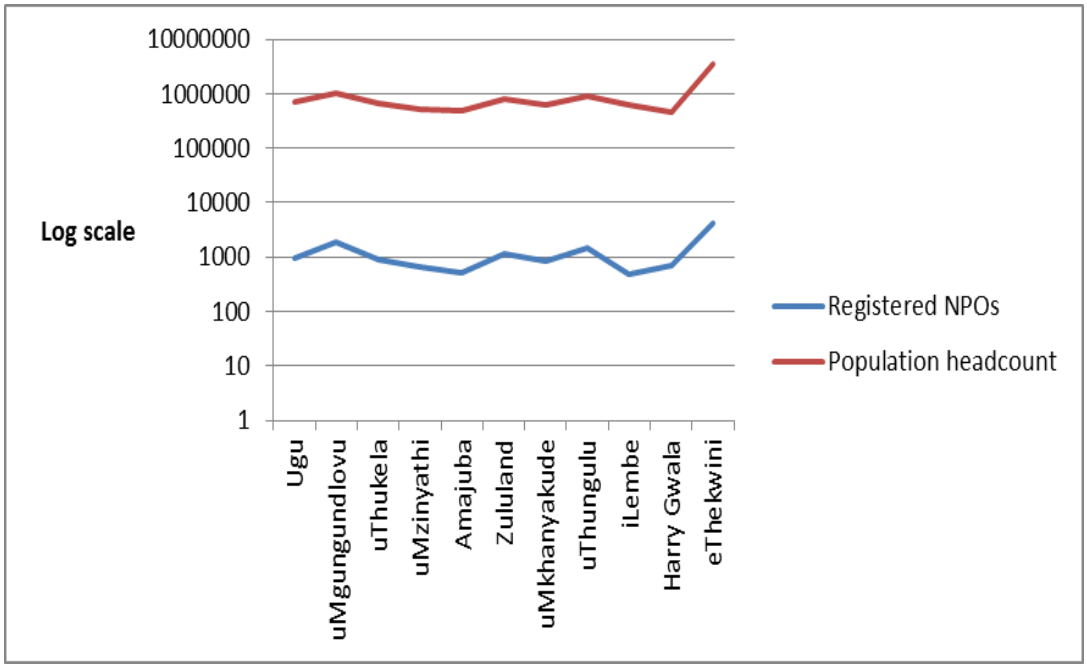
Figure 7-4: Percentage distribution of the big-three predominant classes of NPO by district municipality



However, neither the description of district dispersion of NPOs generally or the dispersion of the big-three NPO classes provide a measure of the proportionate distribution of NPOs relative to the districts. Accordingly, the proportion of registered NPOs to the human population can be computed by district to establish if there is any extraordinary distribution. This is undertaken and depicted in table 6-6 as a comparison of the distribution of registered NPOs by district municipality relative to the district general populations. The analysis delivers a factor, being the proportion of NPOs-per-1 000-of-the-population.

The relationship between registered NPOs and the district municipality populations is illustrated in figure 7-5. The strength of the association is recorded in table 7-4.

Figure 7-5: Registered NPOs and general population by District Municipality



The proportions are consistent with the human population headcount of the districts; no district is observed to suffer proportional neglect or enjoy proportional surfeit of NPO activity. Test for association between district human population and registered NPOs by district delivers r = 0.97, recorded in table 7-4.

Table 7-4: Correlation of district populations and registered NPO populations by district

	Registered NPOs	*Population headcount*
Registered NPOs	1	
Population headcount	0.97	1

Table 7-5 (i): Distribution of registered NPOs by district municipality

	KZN		Ugu		uMgungundlovu		uThukela		uMzinyathi		Amajuba	
Class of NPO (alphabetical order)	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**
Animal Protection	**16**	0.1%	0	0.0%	2	0.1%	2	0.2%	1	0.2%	0	0.0%
Civic and Advocacy Organizations	**137**	0.8%	8	0.8%	27	1.4%	5	0.6%	4	0.6%	5	1.0%
Economic, Social and Community Development	**3 136**	20.3%	172	17.8%	382	20.3%	235	26.4%	102	15.5%	106	20.2%
Emergency and Relief	**406**	3.0%	0	0.0%	0	0.0%	2	0.2%	2	0.3%	1	0.2%
Employment and training	**522**	3.8%	32	3.3%	82	4.4%	24	2.7%	14	2.1%	19	3.6%
Environment	**81**	0.6%	7	0.7%	16	0.8%	3	0.3%	1	0.2%	1	0.2%
HIV/AIDS	**1 337**	9.8%	83	8.6%	173	9.2%	65	7.3%	52	7.9%	46	8.8%
Hospitals and rehabilitation	**50**	0.4%	3	0.3%	8	0.4%	2	0.2%	2	0.3%	1	0.2%
Housing	**25**	0.2%	1	0.1%	2	0.1%	0	0.0%	3	0.5%	1	0.2%
Income Support and Maintenance	**141**	1.0%	8	0.8%	9	0.5%	11	1.2%	5	0.8%	4	0.8%
Law and Legal Services	**90**	0.7%	8	0.8%	8	0.4%	5	0.6%	2	0.3%	2	0.4%
Mental Health and Crisis Intervention	**32**	0.2%	3	0.3%	2	0.1%	1	0.1%	1	0.2%	2	0.4%
Nursing Homes	**174**	1.3%	7	0.7%	20	1.1%	11	1.2%	9	1.4%	12	2.3%
Other Education	**200**	1.5%	10	1.0%	30	1.6%	3	0.3%	4	0.6%	5	1.0%
Other Health Services	**371**	2.7%	14	1.4%	34	1.8%	27	3.0%	12	1.8%	17	3.2%
Primary and Secondary Education	**594**	4.3%	43	4.4%	121	6.4%	24	2.7%	25	3.8%	8	1.5%
Recreation and social clubs	**20**	0.1%	1	0.1%	1	0.1%	1	0.1%	0	0.0%	2	0.4%
Service clubs	**50**	0.4%	3	0.3%	8	0.4%	8	0.9%	9	1.4%	5	1.0%
Social Services	**6 541**	47.8%	556	57.5%	938	49.8%	458	51.4%	409	62.1%	285	54.3%
Sports	**133**	1.0%	8	0.8%	20	1.1%	4	0.4%	2	0.3%	3	0.6%
District Municipality cumulative totals	**13 674**	100%	**967**	100%	**1 883**	100%	**891**	100%	**659**	100%	**525**	100%
District Municipality proportional totals	**13 674**	100%	**967**	7.1%	**1 883**	13.8%	**891**	6.5%	**659**	4.8%	**525**	3.8%

Table 7-5 (ii): Distribution of registered NPOs by district municipality

	KZN		Zululand		uMkhanyakude		uThungulu		iLembe		Harry Gwala		eThekwini	
Class of NPO (alphabetical order)	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**	**Count**	**%**
Animal Protection	**16**	0.1%	0	0.0%	6	0.7%	0	0.0%	0	0.0%	0	0.0%	5	0.1%
Civic and Advocacy Organizations	**137**	0.8%	6	0.5%	0	0.0%	9	0.6%	13	2.7%	4	0.6%	56	1.3%
Economic, Social & Comm. Development	**3 136**	20.3%	267	23.6%	127	15.5%	401	27.4%	111	23.2%	193	27.4%	1 040	25.1%
Emergency and Relief	**406**	3.0%	1	0.1%	0	0.0%	0	0.0%	1	0.2%	3	0.4%	14	0.3%
Employment and training	**522**	3.8%	35	3.1%	20	2.4%	86	5.9%	21	4.4%	28	4.0%	161	3.9%
Environment	**81**	0.6%	1	0.1%	4	0.5%	3	0.2%	3	0.6%	1	0.1%	41	1.0%
HIV/AIDS	**1 337**	9.8%	90	8.0%	84	10.3%	170	11.6%	47	9.8%	54	7.7%	473	11.4%
Hospitals and rehabilitation	**50**	0.4%	4	0.4%	3	0.4%	4	0.3%	0	0.0%	1	0.1%	22	0.5%
Housing	**25**	0.2%	0	0.0%	0	0.0%	2	0.1%	1	0.2%	0	0.0%	15	0.4%
Income Support and Maintenance	**141**	1.0%	9	0.8%	5	0.6%	10	0.7%	4	0.8%	3	0.4%	73	1.8%
Law and Legal Services	**90**	0.7%	4	0.4%	2	0.2%	7	0.5%	1	0.2%	6	0.9%	45	1.1%
Mental Health and Crisis Intervention	**32**	0.2%	1	0.1%	1	0.1%	3	0.2%	0	0.0%	1	0.1%	17	0.4%
Nursing Homes	**174**	1.3%	14	1.2%	9	1.1%	11	0.8%	6	1.3%	7	1.0%	68	1.6%
Other Education	**200**	1.5%	6	0.5%	5	0.6%	14	1.0%	13	2.7%	19	2.7%	91	2.2%
Other Health Services	**371**	2.7%	16	1.4%	15	1.8%	30	2.0%	11	2.3%	0	0.0%	195	4.7%
Primary and Secondary Education	**594**	4.3%	22	1.9%	13	1.6%	29	2.0%	23	4.8%	89	12.6%	197	4.7%
Recreation and social clubs	**20**	0.1%	1	0.1%	2	0.2%	1	0.1%	0	0.0%	0	0.0%	11	0.3%
Service clubs	**50**	0.4%	0	0.0%	0	0.0%	1	0.1%	1	0.2%	1	0.1%	14	0.3%
Social Services	**6 541**	47.8%	653	57.7%	520	63.6%	676	46.1%	219	45.7%	294	41.7%	1 533	36.9%
Sports	**133**	1.0%	1	0.1%	2	0.2%	9	0.6%	4	0.8%	1	0.1%	79	1.9%
District Municipality cumulative totals	**13 674**	100%	**1 131**	100%	**818**	100%	**1 466**	100%	**479**	100%	**705**	100%	**4 150**	100%
District Municipality proportional totals	**13 674**	100%	**1 131**	8.3%	**818**	6.0%	**1 466**	10.7%	**479**	3.5%	**705**	5.2%	**4 150**	30.3%

Table 7-6 (i): Distribution of registered NPOs by district municipality relative to the district general populations

	KZN	Ugu	uMgungundlovu	uThukela	uMzinyathi	Amajuba
Registered NPOs	13 674	967	1 883	891	659	525
Population headcount	10 267 300	722 484	1 017 763	668 847	510 838	499 839
Proportion of NPOs per-1 000-of-the-population	**1.33**	**1.34**	**1.85**	**1.33**	**1.29**	**1.05**

Table 7-6 (ii): Distribution of registered NPOs by district municipality relative to the district general populations

	KZN	Zululand	uMkhanyakude	uThungulu	iLembe	Harry Gwala	eThekwini
Registered NPOs	13 674	1 131	818	1 466	479	705	4 150
Population headcount	10 267 300	803 575	625 846	907 519	606 809	461 419	3 442 361
Proportion of NPOs per-1 000-of-the-population	**1.33**	**1.41**	**1.31**	**1.62**	**0.79**	**1.53**	**1.21**

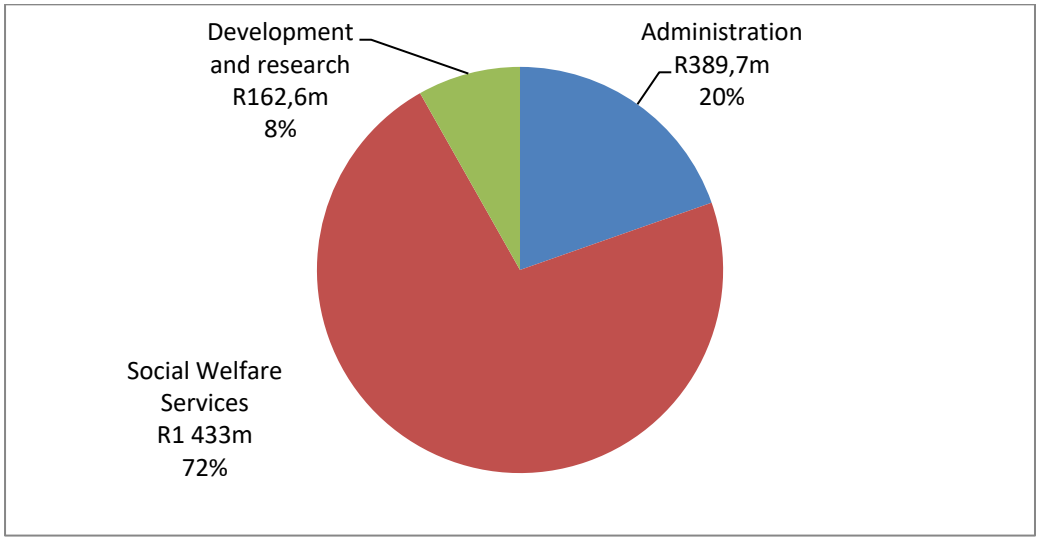
7.3 DESCRIPTIVE ANALYSIS OF THE POPULATION OF NPOS CONTRACTED BY THE DSD

Of interest and prominence, is the population of NPOs that are contracted by, and receive funding assistance from the DSD to sustain their non-profit enterprise. These organisations are drawn from the general NPO population and may be considered 'super-NPOs' for they have the necessary means to compile the business plans called upon by the DSD as one of the elements intrinsic to lodging applications for government funding assistance, that are successful in attracting funding assistance. This requires for the substantial part, sound administrative systems and governance, administrative capacity and financial stability, a track record of service delivery, and a sustainability forecast for the period for which funding is sought.

It follows that identifying the activity patterns and spatial dispersion of the funded NPOs will illustrate the scope and nature of government largesse dispensed. It might be expected that government spending on the NPO sector spotlights government's priority areas. While not the objective of this study, it is observed that this line of enquiry may identify where government funding is disproportionately spatially allocated to alleviating individual and community deprivation.

Figure 7-6 illustrates the R1 985 million expenditure in the period 2012/13 within the three programmes by which this KZN provincial government department accounts for activity: these programmes are a) Administration; b) Development and Research; and c) Social Welfare Services.

Figure 7-6: Department of Social Development (KZN) actual expenditure, period 2012/13



Social welfare services expenditure (to which R32,5 million in transfers from Development and Research has been summed) is recorded in table 7-7.

Table 7-7 (i): KZN Department of Social Development financial transfers to NPOs in the period 2012/13

DSD Programme category	NPO primary area of activity	Count	%	Total Funding (R)	%	Average funding per NPO (R)	Category Sub Totals Funding		NPOs	
							Amount (R)	%	Count	%
Substance Abuse, Prevent-ion & Rehabilitation	Welfare Organisations	12	0.5%	9 713625	1.7%	809 469				
	Treatment Centres	5	0.2%	1 567 235	0.3%	313 447				
	Outpatient Clinic	2	0.1%	1 024 251	0.2%	512 126	**12 305 110**	**2.1%**	**19**	**0.7%**
Care And Services To Older Persons	Homes For The Aged	45	1.7%	60 429 441	10.3%	1 342 876				
	Welfare Organisations	21	0.8%	9 277 007	1.6%	441 762				
	Service Centres	280	10.5%	28 066 723	4.8%	100 238	**97 773 171**	**16.6%**	**346**	**13.0%**
Crime Prevention And Support	Welfare Organisations	8	0.3%	18 598 828	3.2%	2 324 854	**18 598 828**	**3.2%**	**8**	**0.3%**
Services To Persons With Disabilities	Homes For The Disabled	16	0.6%	27 221 135	4.6%	1 701 321				
	Protective Workshops	33	1.2%	10 007 535	1.7%	303 259				
	Welfare Organisations	117	4.4%	89 954 261	15.3%	768 840				
	Children's Home	49	1.8%	73 117 580	12.5%	1 492 196				
	Private Place Of Safety	168	6.3%	1 149 247	0.2%	6 841				
	Shelters For Children	14	0.5%	7 998 241	1.4%	571 303	**209 447 999**	**35.7%**	**397**	**14.9%**

Table 7-7 (ii): KZN Department of Social Development financial transfers to NPOs in the period 2012/13

DSD Programme category	NPO primary area of activity	Count	%	Total Funding	%	Average funding	Category Sub Totals Funding (R)	NPOs

				(R)		per NPO (R)	Amount (R)	%	Count	%
Child Care And Protection Services	Early Childhood Development	1674	62.8%	161 873 666	27.6%	96 699	**161 873 666**	**27.6%**	**1674**	**62.8%**
Victim Empowerment	Shelters For Women	11	0.4%	2 495 082	0.4%	226 826				
	Welfare Organisations	14	0.5%	2 868 988	0.5%	204 928	**5 364 070**	**0.9%**	**25**	**0.9%**
HIV / AIDS	Home Community Based Care	184	6.9%	45 110 683	7.7%	245 167	**45 110 683**	**7.7%**	**184**	**6.9%**
Care And Support Services To Families	Welfare Organisations	7	0.3%	4 329 195	0.7%	618 456	**4 329 195**	**0.7%**	**7**	**0.3%**
Youth Development	Welfare Organisations	1	0.0%	4 134 059	0.7%	4 134 059				
	Youth Development Services	1	0.0%	7 000 000	1.2%	7 000 000	**11 134 059**	**1.9%**	**2**	**0.1%**
Sustainable Livelihood	Community Project	3	0.1%	21 340 870	3.6%	7 113 623	**21 340 870**	**3.6%**	**3**	**0.1%**
	TOTALS	**2665**	**100%**	**587 277 652**	**100%**	**220 367**	**587 277 652**	**100%**	**2 665**	**100%**

While NPO funding is a core function of Social Welfare Services, it is noted that a sum of R32,5 million was transferred to NPOs from Development and Research. This sum is included in the ensuing analysis of NPO funding in the province for the reporting period 2012/13 as it is illustrative of direct welfare service provision, achieved through third sector organisations. Consequently a total of R587 277 652 (R587,3 million) was transferred by the DSD as funding assistance to the NPO sector in the review period.

To achieve consistency with the description of registered NPOs in section 7.2 supra, it is useful to align the ten funding programme categories with the descriptive parameters of the earlier analysis. As may be expected, the ten funding programme categories are encompassed by the big-three descriptors postulated as construct in sub-section 7.2.2 supra: social services; economic, social and community development (ESCD); organisations addressing the prevention of HIV/AIDS and associated education provision. Reduction of the ten DSD programme categories identified in table 7-7 into the big-three NPO classes is rendered according to the conceptual foundation illustrated in table 7-8.

Table 7-8: Reduction of the DSD programmes to the big-three NPO classes

Big-Three NPO class	DSD Programme	Activities
Social Services	Substance abuse prevention and rehabilitation	Welfare organisations Treatment centres Outpatient clinics
	Care and services to older persons	Homes for the aged Welfare organisations Service centres
	Crime prevention and support	Welfare organisations
	Services to persons with disabilities	Homes for the disabled Protective workshops Welfare organisations Children's homes Private places of safety Shelters for children
	Victim empowerment	Shelters for women Welfare organisations
	Care and support services to families	Welfare organisations
Economic, Social And Community Development (ESCD)	Child care and protection services	Early childhood development
	Youth development	Welfare organisations Youth development services
	Sustainable livelihood	Community project
HIV/AIDS	HIV/AIDS	Home community based care

7.3.1 Spatial dispersion of funded NPOs

Exploiting this frame of reference entertains the reconstruction of the KZN Department of Social Development financial transfers to NPOs in the period 2012/13 (as illustrated in table 6.6), as an illustration of the extent to which government funding has flowed via funded big-three NPOs to each of the KZN districts. This reconstruction is illustrated in table 6-7.

7.3.2 Comparing the spatial distribution of big-three NPOs and funded big-three NPOs

It is anticipated that the distribution of NPOs that are funded by the DSD, follows the distribution of the provincial population of NPOs generally. This sub-section seeks to subject the two population sub-sets to associative testing to measure the extent of this relationship

The sub-set of big-three NPOs distinguished from the population of registered NPOs generally, is isolated in section 6.2 supra and depicted in table 7.5. The funded big-three NPO data sub-set is isolated in section 7.3.1 immediately preceding, depicted in table 7.9.

The association is depicted schematically in figure 7-7.

Figure 7-7: Tracking the relationship between all big-three NPOs and funded big-three NPOs

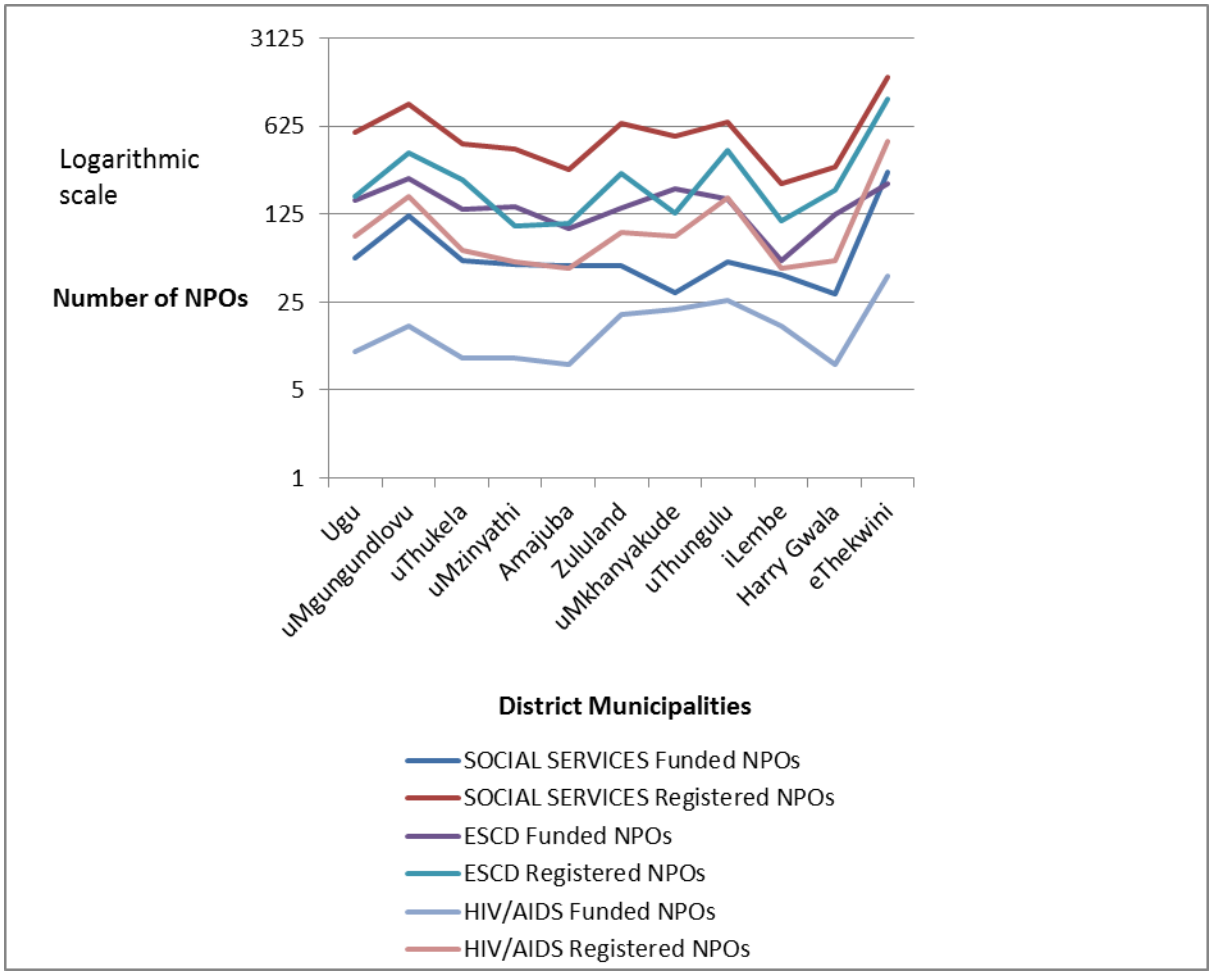


Table 7-9: Distribution of DSD funded (big-three) NPOs by district municipality (fiscal period 2012/13)

	KZN	Ugu	uMgungun-dlovu	uThukela	uMzinyathi	Amajuba	Zululand	uMkhanya-kude	uThungulu	iLembe	Harry Gwala	eThekwini
SOCIAL SERVICES												
Count	802	56	123	53	50	49	49	30	52	41	29	270
Proportion	100.0%	7.0%	15.3%	6.6%	6.2%	6.1%	6.1%	3.7%	6.5%	5.1%	3.6%	33.7%
Funding (R)	347 818 373	20 198 845	57 864 887	22 270 146	16 063 565	10 455 726	15 615 613	4 203 528	13 332 878	9 333 604	11 072 741	167 406 841
Funding proportion	100.0%	5.8%	16.6%	6.4%	4.6%	3.0%	4.5%	1.2%	3.8%	2.7%	3.2%	48.1%
ESCD												
Count	1679	160	238	138	143	96	140	198	165	54	126	221
Proportion	100.0%	9.5%	14.2%	8.2%	8.5%	5.7%	8.3%	11.8%	9.8%	3.2%	7.5%	13.2%
Funding (R)	194 348 595	11 694 265	16 485 309	7 503 644	6 557 726	5 847 108	14 617 371	35 169 196	38 570 158	7 294 273	6 681 401	43 928 144
Funding proportion	100.0%	6.0%	8.5%	3.9%	3.4%	3.0%	7.5%	18.1%	19.8%	3.8%	3.4%	22.6%
HIV/AIDS												
Count	184	10	16	9	9	8	20	22	26	16	8	40
Proportion	100.0%	5.4%	8.7%	4.9%	4.9%	4.3%	10.9%	12.0%	14.1%	8.7%	4.3%	21.7%
Funding (R)	45 110 683	2 492 036	2 961 904	2 190 699	3 113 913	1 836 625	5 406 400	5 746 445	8 344 987	3 285 027	1 928 942	7 803 705
Funding proportion	100.0%	5.5%	6.6%	4.9%	6.9%	4.1%	12.0%	12.7%	18.5%	7.3%	4.3%	17.3%
TOTALS												
Funded NPOs	2665	226	377	200	202	153	209	250	243	111	163	531
Proportion	100.0%	8.5%	14.1%	7.5%	7.6%	5.7%	7.8%	9.4%	9.1%	4.2%	6.1%	19.9%
Funding (R)	587 277 652	34 385 146	77 312 100	31 964 489	25 735 204	8 139 459	35 639 384	45 119 169	60 248 023	19 912 904	19 683 084	219 138 690
Funding proportion	100.0%	5.9%	13.2%	5.4%	4.4%	3.1%	6.1%	7.7%	10.3%	3.4%	3.4%	37.3%

The graphic depiction of the relationship between these two data sets illustrated in figure 7-8 suggests an associative relationship. However this is not completely the case and the association test does not support a strong relationship between the regional dispersion of Economic, Social And Community Development NPOs generally, and the proportion of funded Economic, Social And Community Development NPOs dispersed within the eleven municipal districts. The strength of the association is illustrated by the r values in table 7-10.

Table 7-10: Strength of association of spatial distribution of funded big-three NPOs and the registered big-three NPO population

	SOCIAL SERVICES Funded NPOs	*SOCIAL SERVICES Registered NPOs*	*ESCD Funded NPOs*	*ESCD Registered NPOs*	*HIV/AIDS Funded NPOs*	*HIV/AIDS Registered NPOs*
SOCIAL SERVICES Funded NPOs	1					
SOCIAL SERVICES Registered NPOs	0.93	1				
ESCD Funded NPOs	0.59	0.79	1			
ESCD Registered NPOs	0.94	0.94	0.59	1		
HIV/AIDS Funded NPOs	0.74	0.82	0.53	0.84	1	
HIV/AIDS Registered NPOs	0.96	0.96	0.64	0.99	0.87	1

7.4 DESCRIPTIVE ANALYSIS OF THE KZN HUMAN POPULATION

The instrument devised in the previous chapter (see section 5.5) as a device for ranking relative deprivation informs the layout of this section. A brief contextual introduction to the general attributes of the provincial population precedes the minutia of the subsequent analysis.

7.4.1 General attributes

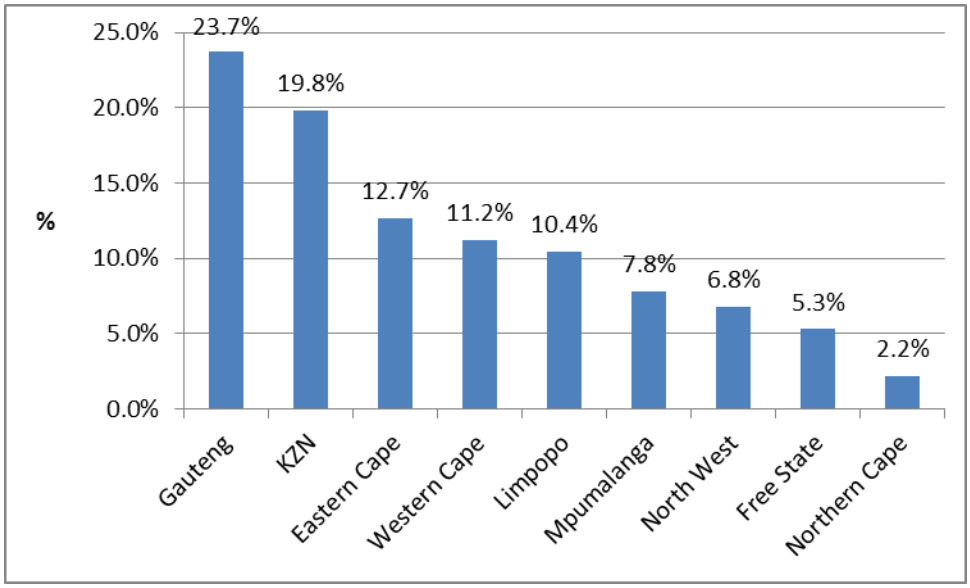
General attributes of the KZN population can be isolated from the 2011 national population census and these attributes are identified here to contextualise the extraction of spatial socio-economic population phenomena that follows this sub-section.

Generally, it is remarked that KZN represents one of nine provinces, and together with the Eastern Cape and Limpopo, is one of the three poorest provinces. These three provinces encompass for the greater

part, the former homelands of Kwazulu (Kwazulu Natal province), Ciskei and Transkei (Eastern Cape province) and Gazankuku, Lebowa and Venda (Limpopo province).

The percentage distribution of the provincial populations to the national population is depicted in figure 7-8.

Figure 7-8: Percentage distribution of the national population by province



With a population of 10 267 300 citizens, KZN is the most populous province with both a rural and urban character. The national population is illustrated in table 7-11.

Table 7-11: South Africa's provincial population, 2011.

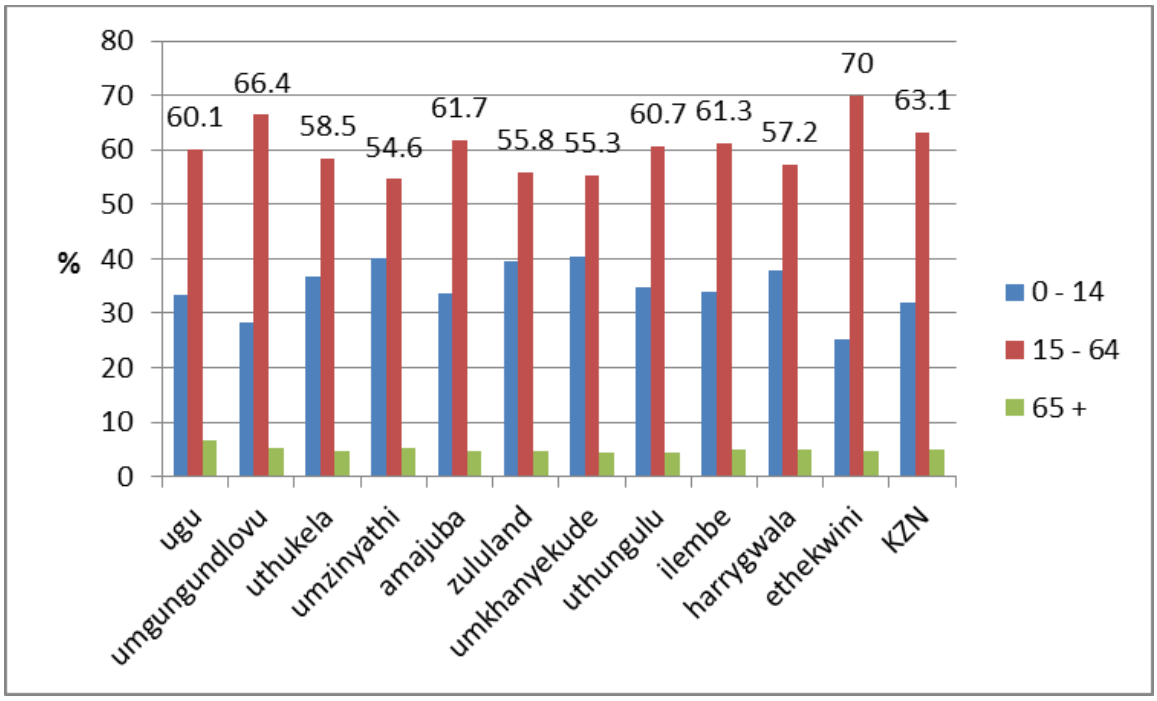
	Count	%
Gauteng	12 272 263	23.71%
KZN	10 267 300	19.83%
Eastern Cape	6 562 053	12.68%
Western Cape	5 822 734	11.25%
Limpopo	5 404 868	10.44%
Mpumalanga	4 039 939	7.80%
North West	3 509 953	6.78%
Free State	2 745 590	5.30%
Northern Cape	1 145 861	2.21%
Total, RSA	**51 770 560**	**100.00%**

The context thus established, the analysis proceeds to interrogate the spatial composition of the provincial population in the following sub-sub-sections.

7.4.1.1 Population distribution by age group

The demographic breakdown of a population enhances the utility of population summation as an indicator for identifying trends. This enables forecasting and in turn, policy determination. Several demographic segments emerge in this regard: the pre-school population (age 0 to 5 years), the school going population (expressed conventionally as ages 6 to 14 years), the working age population (15 to 64 years) and the post-work or retirement population (65+ years). To facilitate presentation and simple interpretation, figure 7-9 illustrates three key groups: children, adults and elders.

Figure 7-9: Percentage distribution of the population by functional age group and municipality



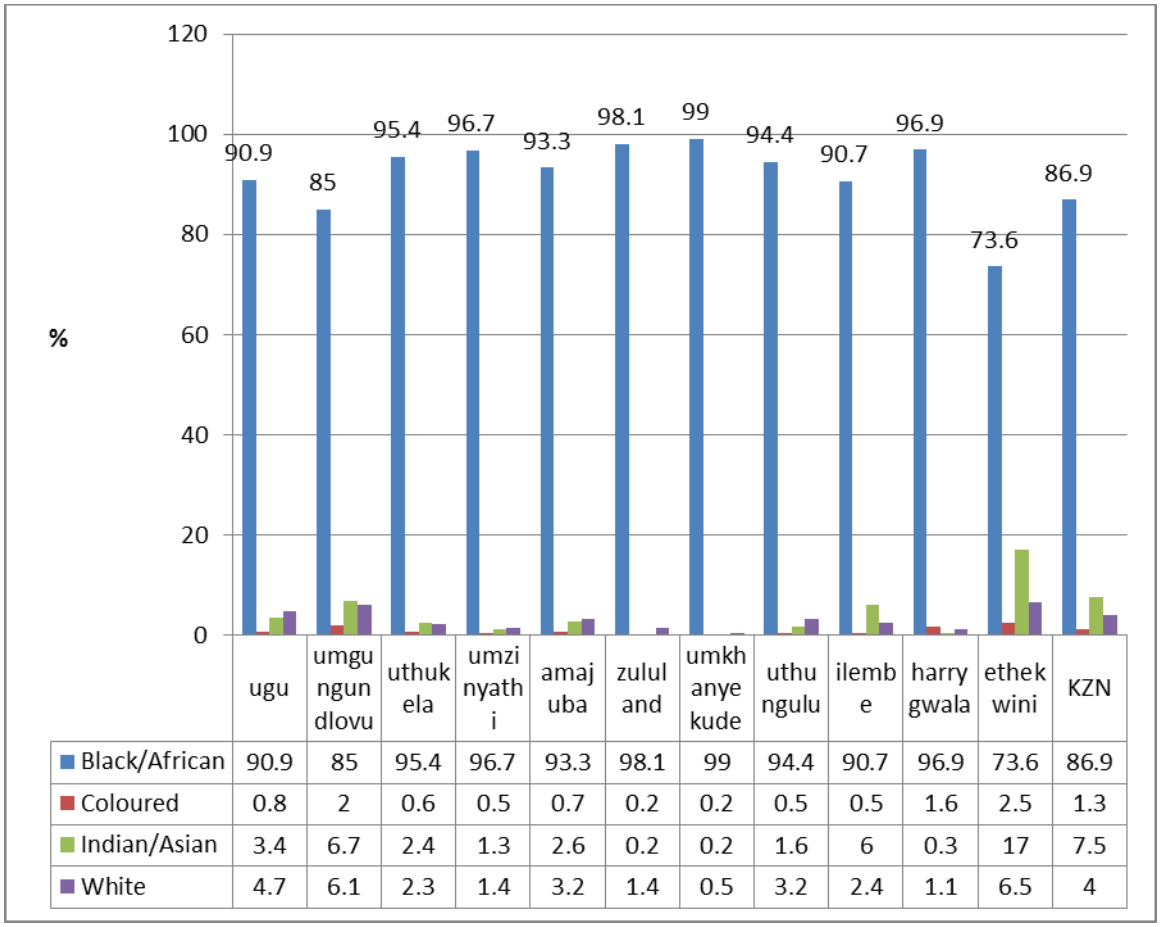
Charted as relative proportions, figure 6-10 illustrates the working age population premium in the eThekwini (70%) and uMgungundlovu (66.4%) municipalities. These municipalities boast the cities of Durban and Pietermaritzburg respectively, as provincial economic hubs. It is observed that household income and living standard may be expected to similarly demonstrate a premium relative to the remainder of the province.

7.4.1.2 Population distribution by population group

Current spatial population distribution is a function partly at least, of historical legislative restriction barring population groups from land possession and land occupation. The legacy of the Bantu Authorities Act and Group Areas Act is evident in the dispersion of population groups with the former

so-called homeland areas of Kwazulu reflecting the historical "homeland" circumscription of the Black/African population group. Similarly, the Indian/Asian population group demonstrates a spatial distribution that reflects the introduction by imperial Great Britain of Indian nationals as agricultural workers in the coastal regions north (iLembe) and south (Ugu) of Durban, and inland to the city of Pietermaritzburg (uMgungundlovu). These phenomena are evidenced in figure 7-10.

Figure 7-10: Percentage distribution of the population by population group and municipality



	ugu	umgungundlovu	uthukela	umzinyathi	amajuba	zululand	umkhanyekude	uthungulu	ilembe	harrygwala	ethekwini	KZN
Black/African	90.9	85	95.4	96.7	93.3	98.1	99	94.4	90.7	96.9	73.6	86.9
Coloured	0.8	2	0.6	0.5	0.7	0.2	0.2	0.5	0.5	1.6	2.5	1.3
Indian/Asian	3.4	6.7	2.4	1.3	2.6	0.2	0.2	1.6	6	0.3	17	7.5
White	4.7	6.1	2.3	1.4	3.2	1.4	0.5	3.2	2.4	1.1	6.5	4

It is observed that the incidence of deprivation may be expected, rationally, to characterise the Black/African population group. However, the credo of NPOs and stipulation by the DSD in the case of funded NPOs, gives rise to what may be termed an "even-handed" distribution of welfare effort and further data analysis does not seek to distinguish deprivation by population group.

7.4.2 Income sufficiency

7.4.2.1 Household income

The average annual household income across all districts is R83 050. Table 7-12 illustrates the rank order of district average household income ranging from Harry Gwala district municipality where the

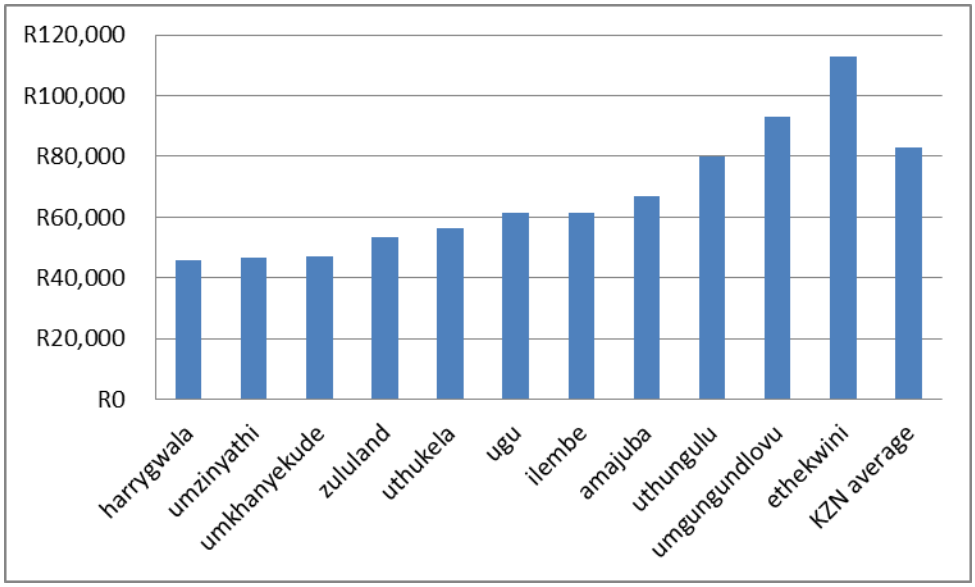
annual income of R45 903 represents 55.3% of the provincial average, to eThekwini where the average annual household income of R112 830 represents 135.9% of the provincial average household income.

Table 7-12: Average household income by district municipality

District municipalities in rank order	Average household income	Proportion of provincial average household income	Average household size
Harry Gwala	R 45 903	55.3%	4.1
uMzinyathi	R 46 637	56.2%	4.5
uMkhanyakude	R 47 201	56.8%	4.9
Zululand	R 53 400	64.3%	5.1
uThukela	R 56 316	67.8%	4.5
Ugu	R 61 337	73.9%	4.0
iLembe	R 61 587	74.2%	3.8
Amajuba	R 66 785	80.4%	4.5
uThungulu	R 80 054	96.4%	4.5
uMgungundlovu	R 92 986	112.0%	3.7
eThekwini	R 112 830	135.9%	3.6
KZN average	R 83 050	100.0%	4.0

Graphically, the disparities in income across the province are illustrated in Figure 7-11.

Figure 7-11: Rank order distribution of average annual household income by district municipality



It is observed that the household income is a potentially misleading indicator of privation, because it does not account for household size. Hence, the analysis proceeds to transform average district

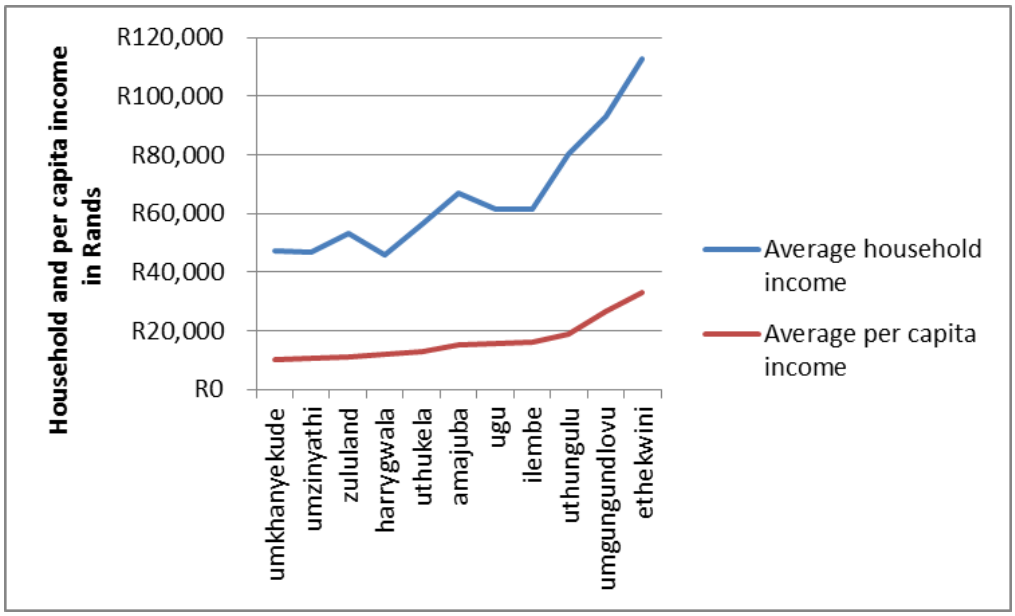
household income to average per capita income, by a factor of household size. The rationale is that the average household income conceals the privation that arises where household size exerts pressure on the household income. Phrased in layman's terms for emphasis, this is what happens "when there just isn't enough to go around." Table 7-13 reveals the result of the transformation.

Table 7-13: Rank order of average annual per capita income by district municipality

District municipality	Rank by per capita income	Rank by household income (table 6.10)	Average household income	Average household size	Average per capita income
uMkhanyakude	1	3	R 47 201	4.7	R 10 043
uMzinyathi	2	2	R 46 637	4.4	R 10 599
Zululand	3	4	R 53 400	4.9	R 10 898
Harry Gwala	4	1	R 45 903	3.8	R 12 080
uThukela	5	5	R 56 316	4.4	R 12 799
Amajuba	6	8	R 66 785	4.4	R 15 178
Ugu	7	6	R 61 337	3.9	R 15 727
iLembe	8	7	R 61 587	3.8	R 16 207
uThungulu	9	9	R 80 054	4.2	R 19 060
uMgungundlovu	10	10	R 92 986	3.5	R 26 567
eThekwini	11	11	R 112 830	3.4	R 33 185

The average per capita income is charted by district municipality in figure 7-12. The impact of the treatment is made evident when the inter-item correlation is performed for average per capita income and the dependency ratio, as recorded in section 7.4.2.2.

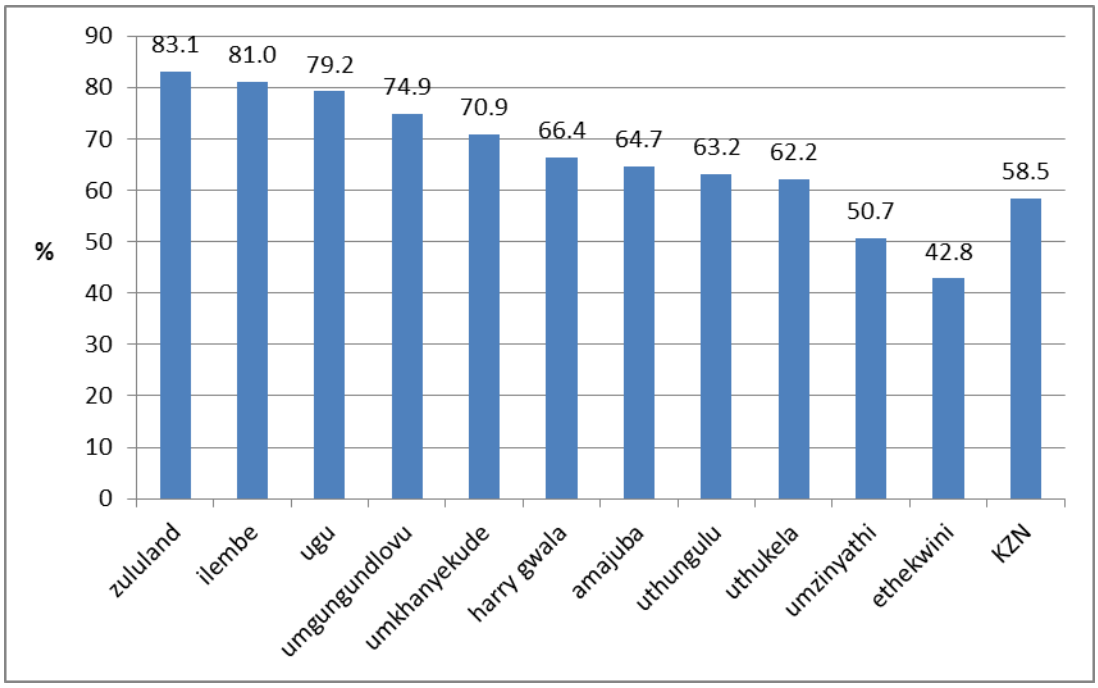
Figure 7-12: Average annual per capita income by district municipality, with average household income for comparison.



7.4.2.2 Dependency ratio

The dependency ratio illustrates the proportion of the population aged 0 - 14 years of age and 65 + years of age, to the working age population of 15 - 64 years of age. The greater the dependency ratio, the greater the burden upon the working age population of sustaining the wellbeing of the child and post-work population segments. Figure 7-13 illustrates the propitious ratio of eThekwini of 42.8%, relative to the provincial average of 58.5 % and the unfavourable dependency ratio of 83.1% characterising the Zululand population.

Figure 7-13: Rank order distribution of dependency ratio (%) of each district municipality



7.4.2.3 Income dimension inter-item correlation

The reciprocal of the dependency ratio is correlated to average per capita income by a Rho factor of r = 0.95. The reciprocal of the dependency ratio was used to achieve parallel measure of positivity when comparing increasing per capita income to increasing dependency ratio. The r value in table 7-14 suggests inter-item consistency.

Table 7-14: Inter-item consistency of income metrics

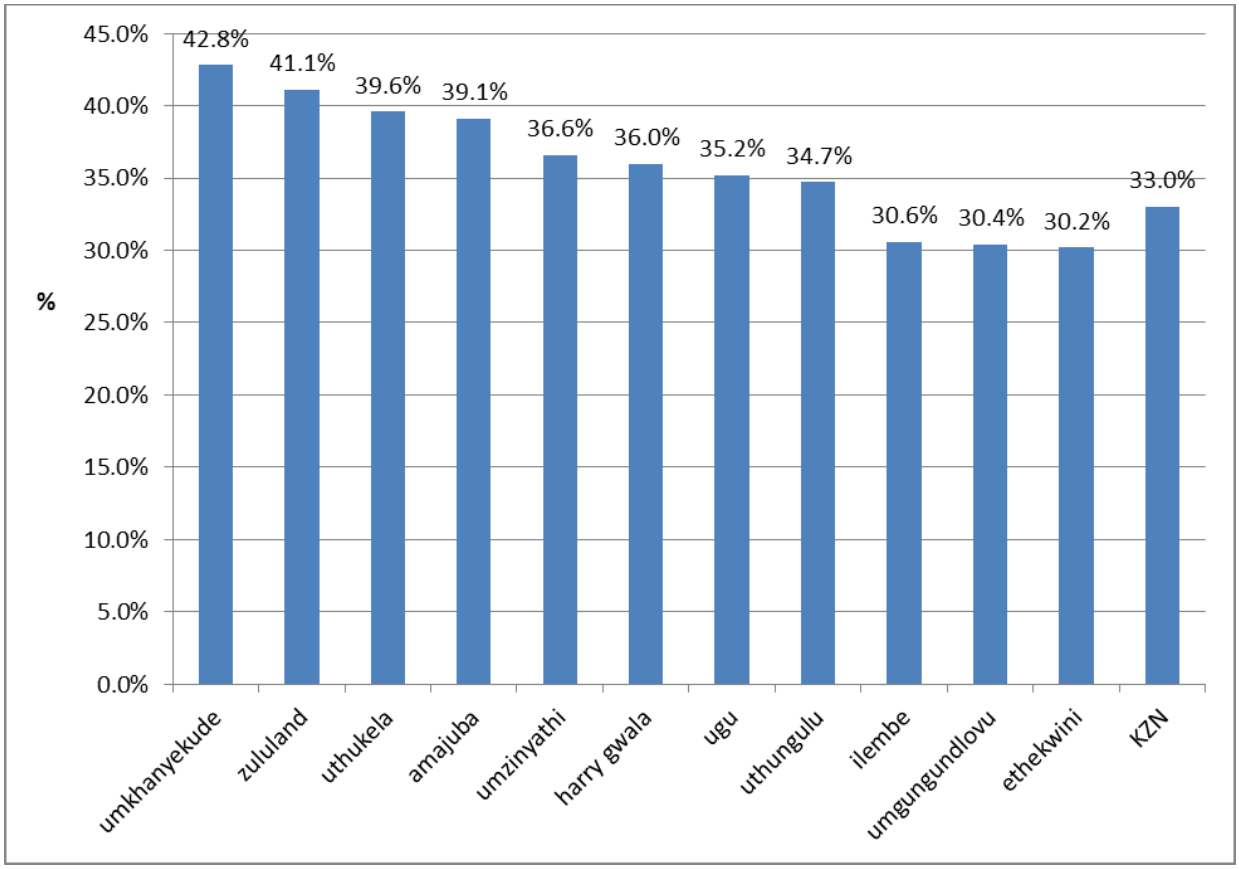
	Average per capita income	*Dependency ratio reciprocal*
Average per capita income	1	
Dependency ratio reciprocal	0.95	1

7.4.3 Employment

7.4.3.1 Unemployment rate

The official unemployment rate is understood as unemployment suffered by the working age population who seek employment but do not enjoy the benefit of employment. The official unemployment rate does not account for so-called discouraged work seekers who have abandoned hope of securing employment and consequently no longer seek jobs. It is considered that unofficial employment exceeds by some margin the official rate; however, there is no census data available in publically accessible published form and figure 7-14 consequently illustrates the official rate of unemployment, in rank order.

Figure 7-14: Rank order percentage distribution of official unemployment by district municipality

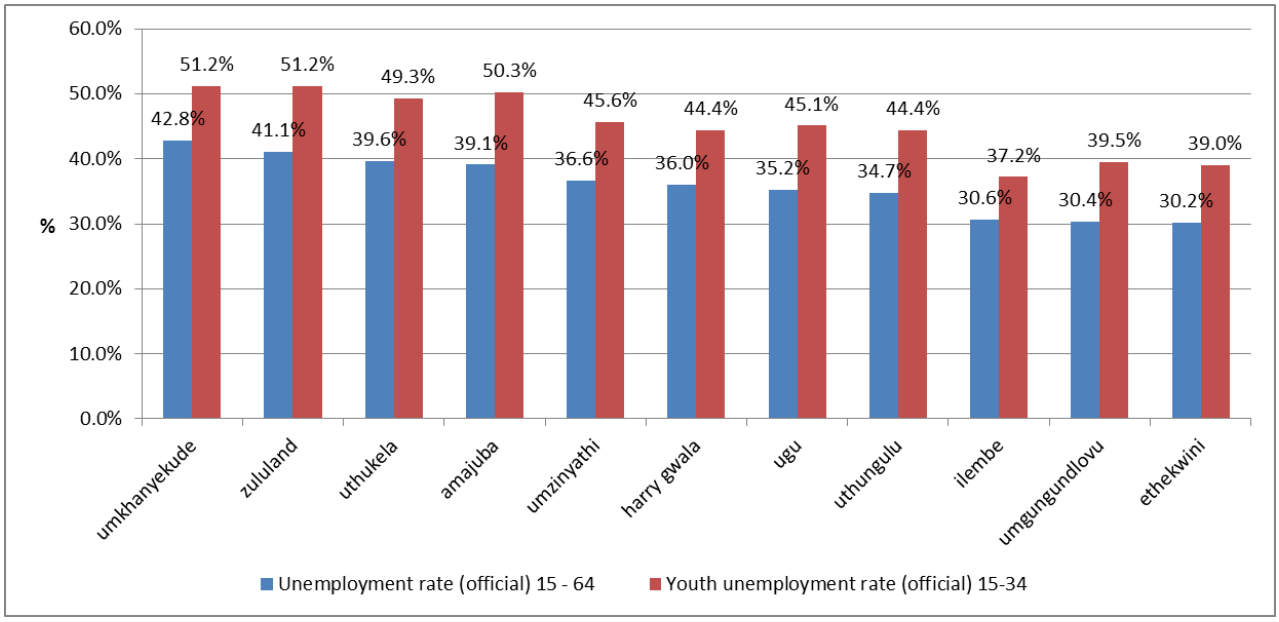


7.4.3.2 Youth unemployment rate

The 2011 national census published report does not document the youth unemployment rate. However, a municipal fact sheet released by Statistics South Africa provides a youth unemployment relative frequency. This percentage is illustrated in figure 7-15, charted in conjunction with the official unemployment rate. The trend is clear: youth unemployment, illustrating the unemployment of work

seekers aged 15 – 34 years, is equivalent in form to the overall unemployment of each district municipality.

Figure 7-15: Percentage distribution of unemployment and youth unemployment by district municipality



7.4.3.3 Unemployment dimension inter-item correlation

The inter-item correlation coefficient recorded in table 7-15 of the official unemployment rate and the youth unemployment rate of 0.98 suggests consistency of the two items as metrics of the relative privation caused by unemployment, as is assessed across the eleven district municipal demarcations.

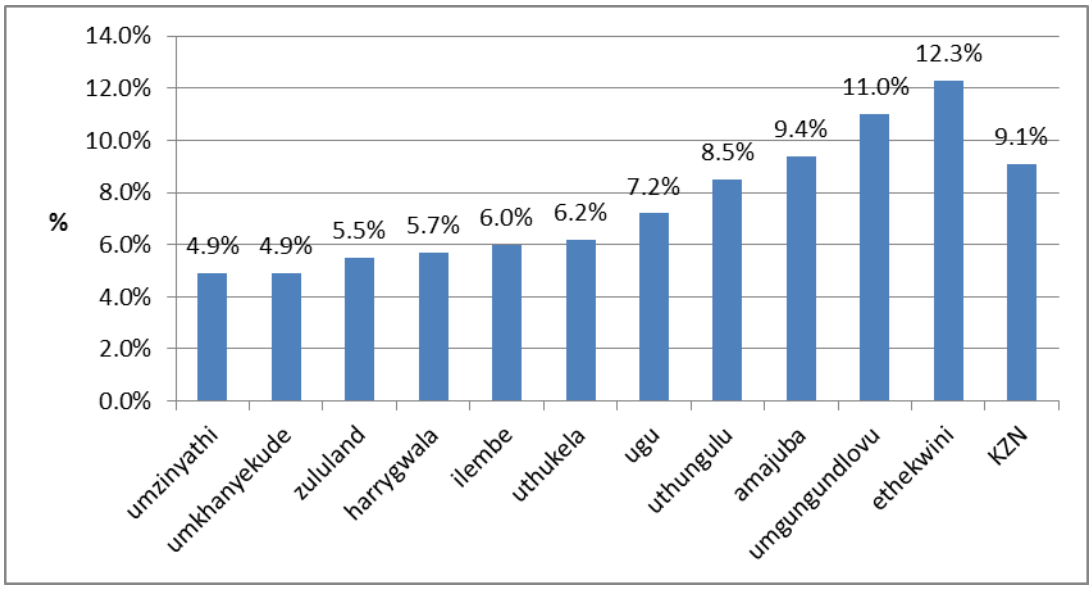
Table 7-15: Unemployment dimension inter-item consistency

	Unemployment rate (official) 15 - 64	*Youth unemployment rate (official) 15-34*
Unemployment rate (official) 15 - 64	1	
Youth unemployment rate (official) 15-34	0.98	1

7.4.4 Education sufficiency

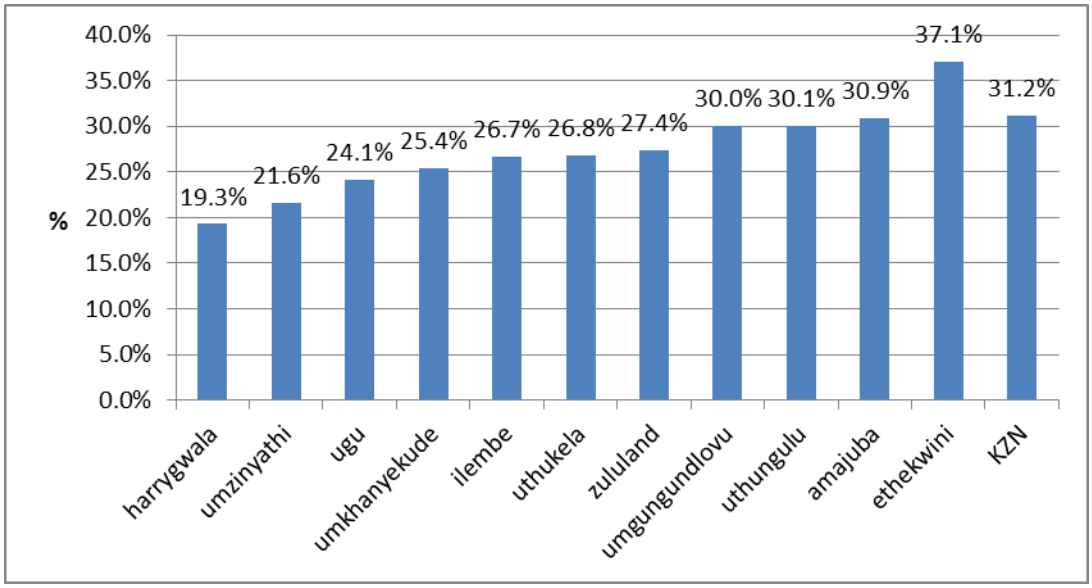
7.4.4.1 Higher education attained (age 20+)

Figure 7-16: Percentage distribution of higher education by district municipality, in rank order



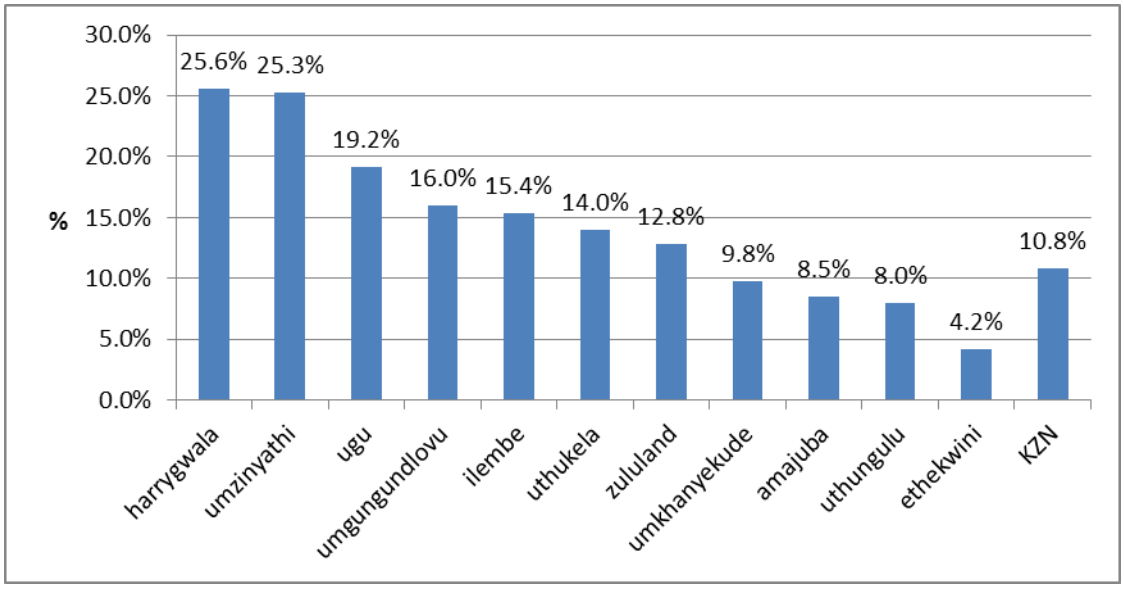
7.4.4.2 Grade 12/Standard 10 obtained (age 20 +)

Figure 7-17: Percentage distribution of Grade 12 / Standard 10 obtained by district municipality, in rank order



7.4.4.3 No schooling (age 20 +)

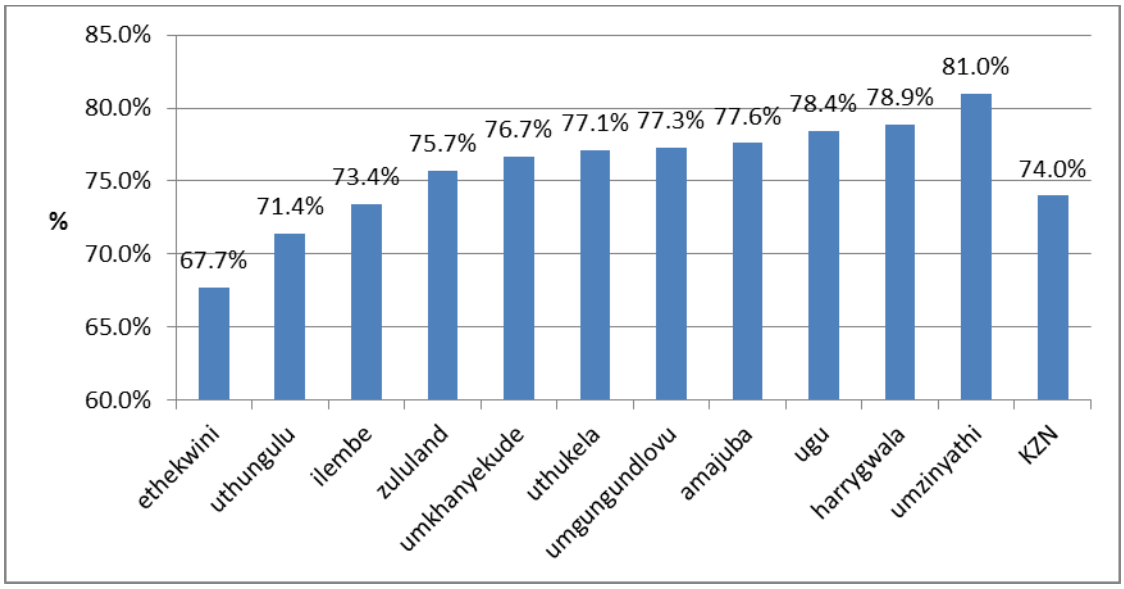
Figure 7-18: Percentage distribution of no schooling by district municipality, in rank order



7.4.4.4 School attendance (age 5 - 24 years)

Surprisingly, in some respects for a metropole characterised by the highest household and per capita incomes and generally high levels of educational attainment, eThekwini demonstrates the poorest school attendance in the age group 5 to 24 years. School attendance is depicted in rank order in figure 7.19.

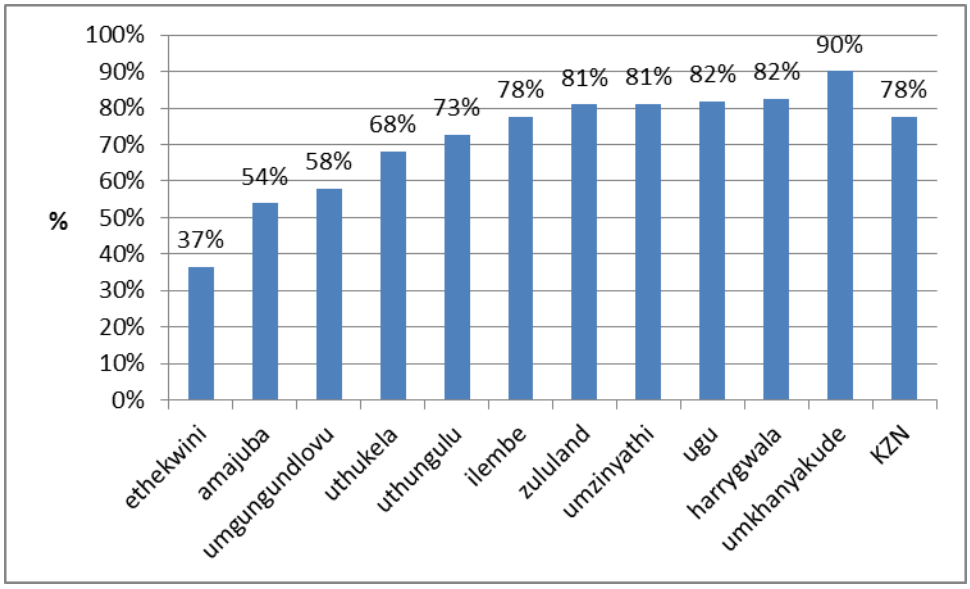
Figure 7-19: Percentage distribution of school attendance by district municipality, in rank order



7.4.5 Living environment sufficiency

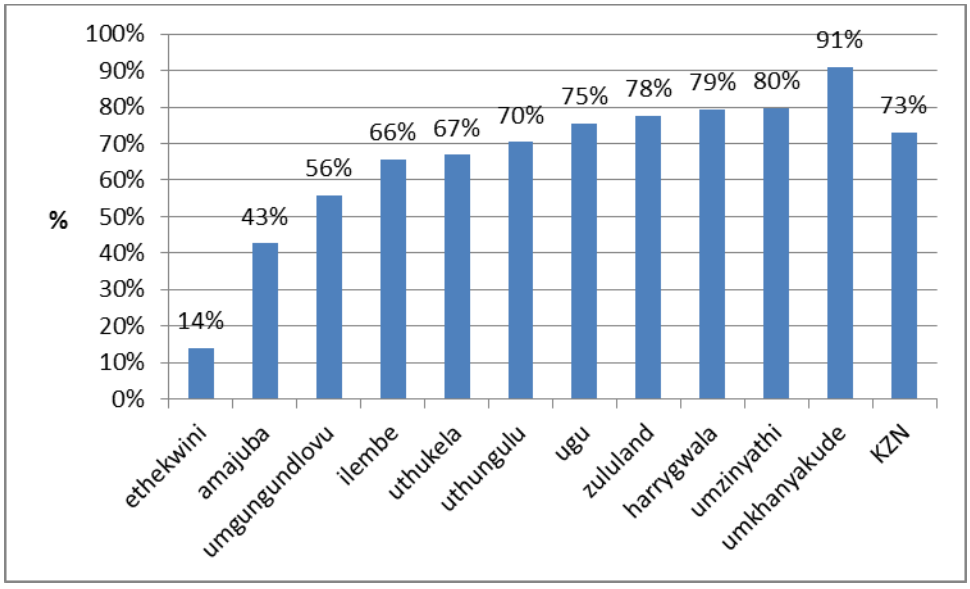
7.4.5.1 No flush toilet connected to sewage

Figure 7-20: Percentage distribution of an absence of access to a flushing toilet by district municipality, in rank order



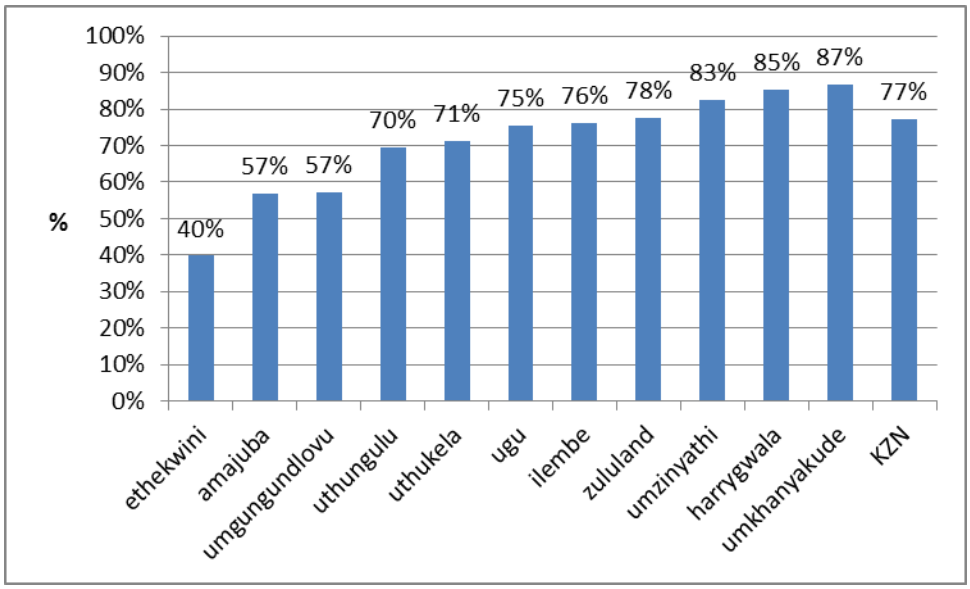
7.4.5.2 No refuse disposal facility provided

Figure 7-21: Percentage distribution of an absence of serviced refuse removal by district municipality, in rank order



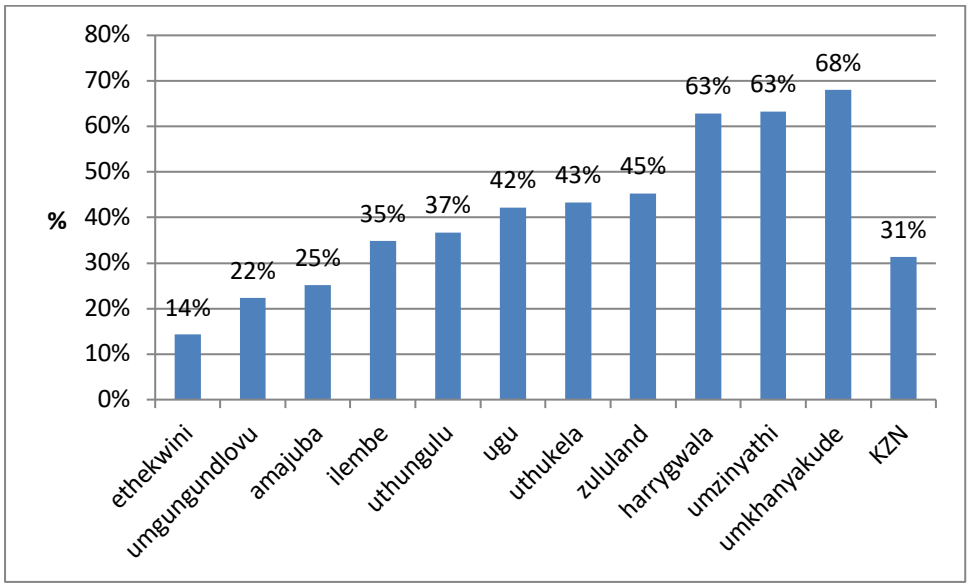
7.4.5.3 No piped water to dwelling

Figure 7-22: Percentage distribution of households with no piped water to dwelling by district municipality



7.4.5.4 Electricity not used for cooking

Figure 7-23: Percentage distribution of households not using electricity for cooking by district municipality



7.4.5.5 Housing sufficiency inter-item consistency

Table 6-16 demonstrates the r factors suggesting inter-item consistency of the housing sufficiency dimension as construct for evaluating this element of living standard.

Table 7-16: Inter-item correlation of the housing sufficiency dimension

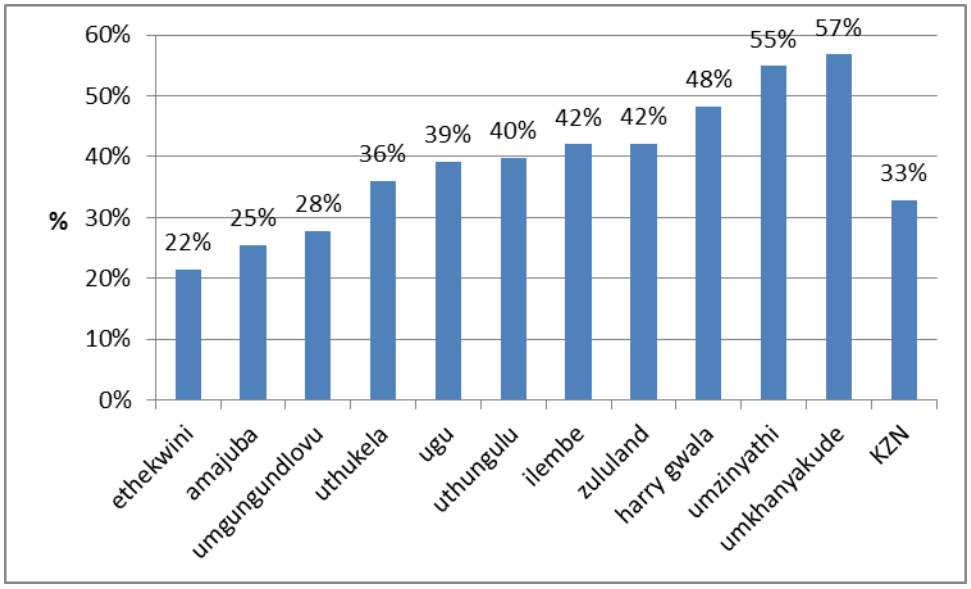
	No flush toilet connected to sewerage	*No local authority/ private provider refuse removal*	*No piped water inside dwelling*	*Electricity not used for cooking*
No flush toilet connected to sewerage	1			
No local authority/private provider refuse removal	0.98	1		
No piped water inside dwelling	0.98	0.96	1	
Electricity not used for cooking	0.87	0.87	0.92	1

7.4.6 Material sufficiency

Sub-sub sections 7.4.6.1 to 7.4.6.6 illustrate the percentage distribution of households by district municipality demonstrating material insufficiency. Each of the following six indicators contributes one sixth of the 20% weighting of the material sufficiency dimension weighting.

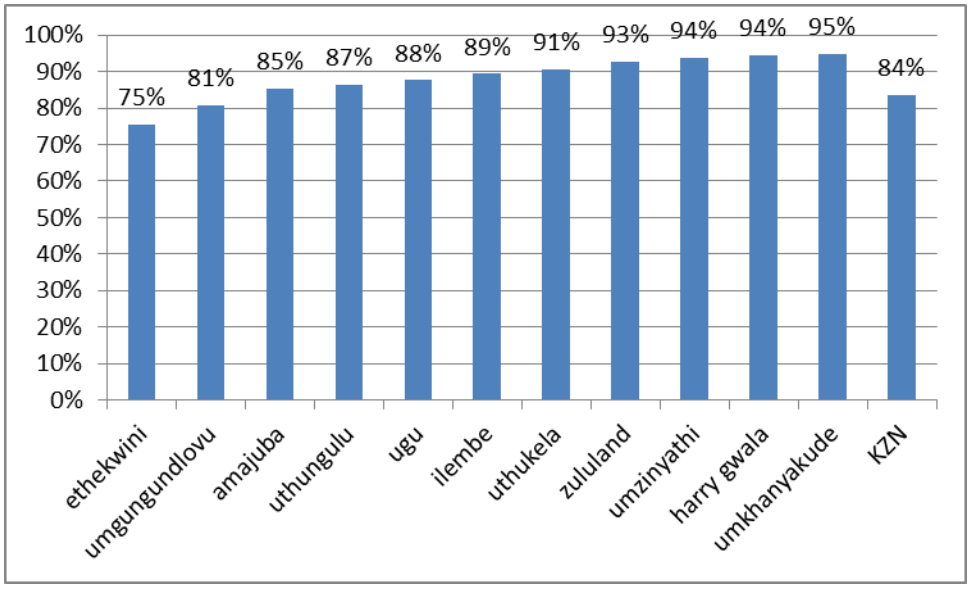
7.4.6.1 No television ownership

Figure 7-24: Percentage distribution of households not owning a television by district municipality



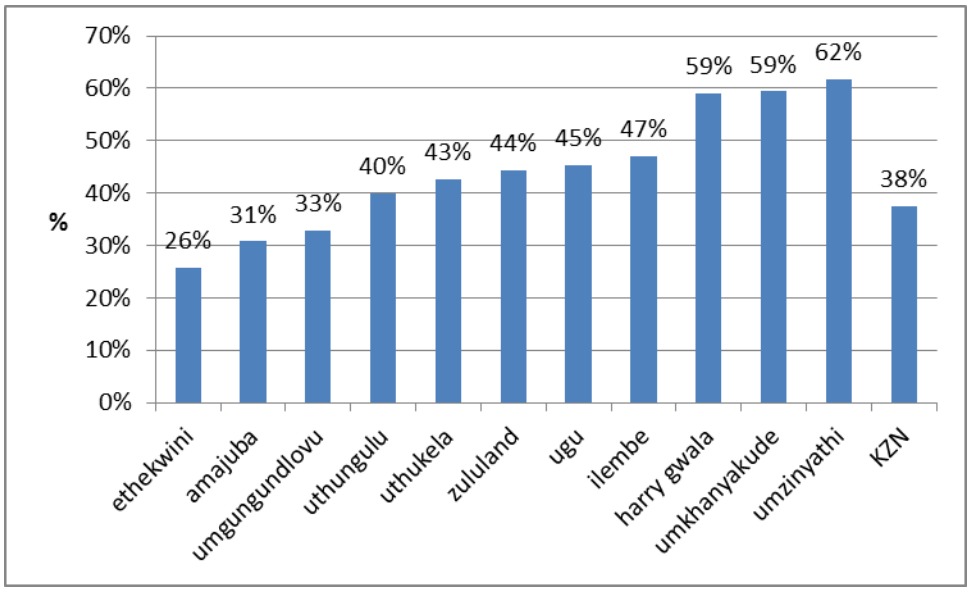
7.4.6.2 No refrigerator ownership

Figure 7-25: Percentage distribution of households not owning a refrigerator by district municipality



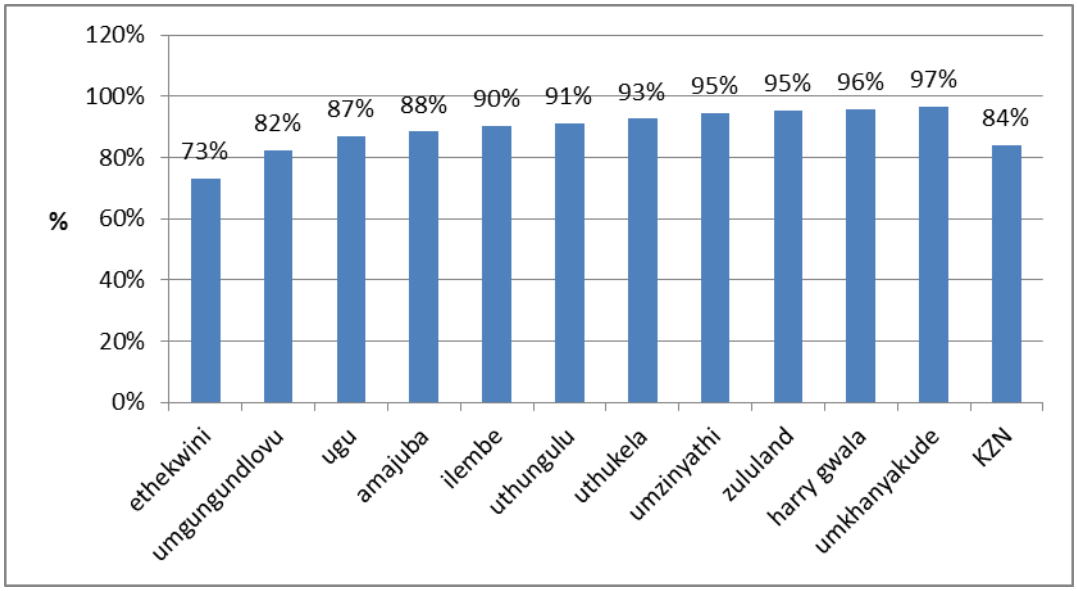
7.4.6.3 No landline connection

Figure 7-26: Percentage distribution of households with no landline connection by district municipality



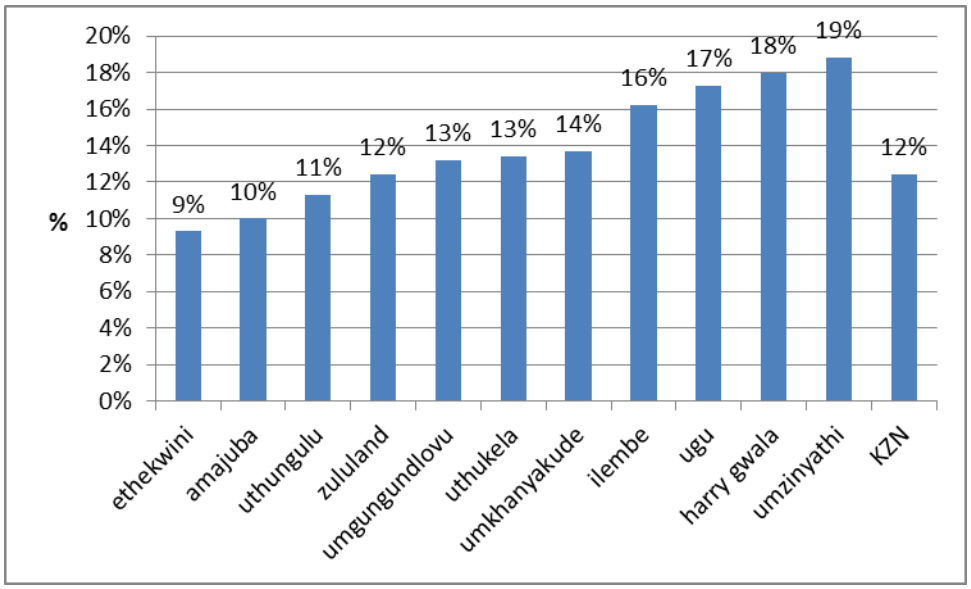
7.4.6.4 No computer ownership

Figure 7-27: Percentage distribution of households not owning a computer by district municipality



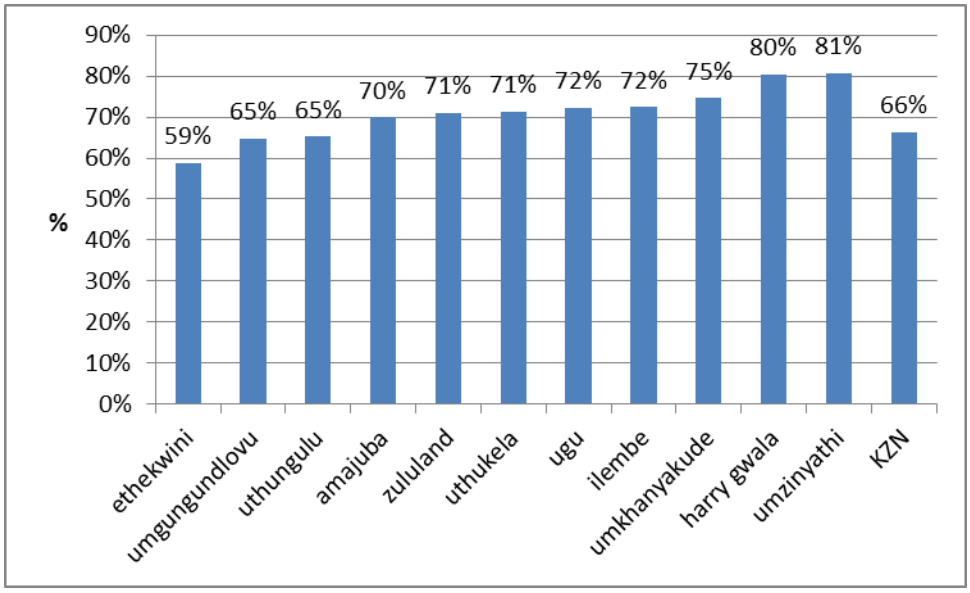
7.4.6.5 No cell phone ownership

Figure 7-28: Percentage distribution of households not owning a cell phone by district municipality



7.4.6.6 No Internet access

Figure 7-29: Percentage distribution of households with no Internet access by district municipality



7.4.6.7 Material sufficiency inter-item consistency

As can be rationally anticipated, there is a weak positive association between landline access and cell phone ownership; cellphones are the telephony technology of choice for rural households where landline infrastructure does not exist and poor households where the fixed cost of landline access is prohibitive. The r values summarised in table 7-17 suggest that there is significant inter-item consistency, notwithstanding the apparent inconsistency of household landline access and cellphone ownership.

Table 7-17: Material sufficiency inter-item consistency

	Nil television ownership	*Nil computer ownership*	*Nil refrigerator ownership*	*Nil landline ownership*	*Nil cellphone ownership*	*Nil Internet access*
Nil television ownership	1					
Nil computer ownership	0.89	1				
Nil refrigerator ownership	0.97	0.90	1			
Nil landline ownership	0.83	0.97	0.81	1		
Nil cellphone ownership	0.70	0.63	0.80	0.50	1	
Nil Internet access	0.81	0.89	0.91	0.81	0.82	1

7.5 DERIVATION OF A DISTRICT MUNICIPALITY INDEX OF DEPRIVATION

Assembling the dimension data yields the deprivation rank of the eleven district municipalities reflected in table 7-18.

Table 7-18: Index of multi-dimensional deprivation in rank order (from least to most deprived)

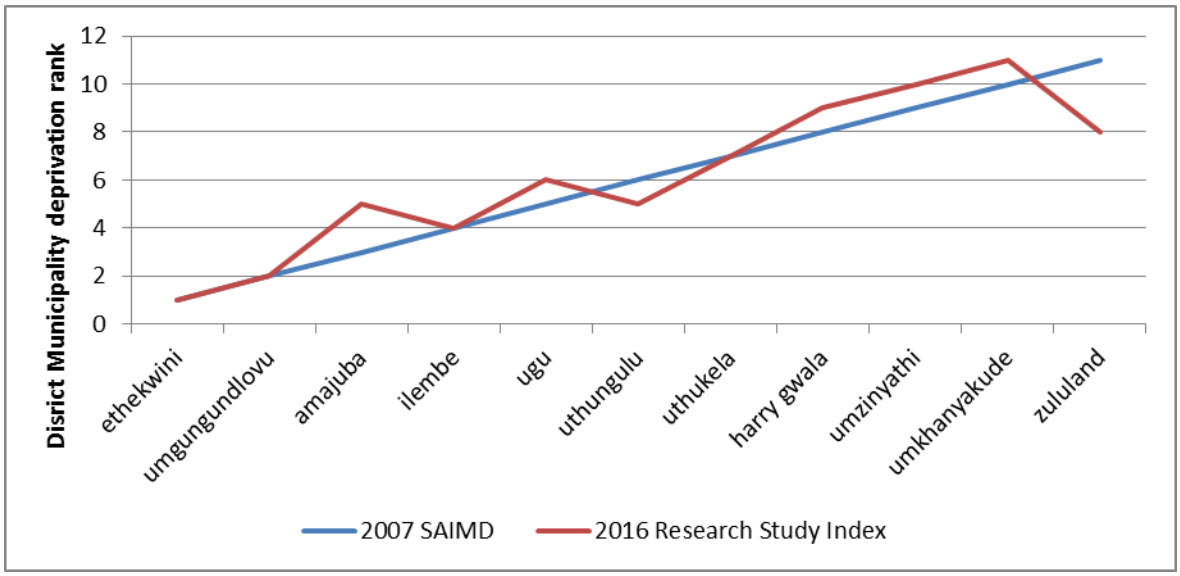
Weight	0.2	0.2	0.2	0.2	0.2	1	
District municipality	Income sufficiency	Employment	Education	Housing sufficiency	Material sufficiency	Overall index	**rank**
eThekwini	0.9175	1.3840	5.8871	1.0460	0.0176	9.2522	**1**
uMgungundlovu	1.2236	1.3980	5.8961	1.9340	0.0201	10.4718	**2**
aMajuba	1.6536	1.7880	5.8901	1.7860	0.0206	11.1384	**3**
iLembe	1.5978	1.3560	5.9093	2.5430	0.0238	11.4299	**4**
uThungulu	1.5286	1.5820	5.9007	2.4940	0.0222	11.5275	**5**
Ugu	1.6138	1.6060	5.9058	2.7480	0.0232	11.8968	**6**
uThukela	1.7266	1.7780	5.9039	2.4960	0.0231	11.9276	**7**
Zululand	1.8427	1.8460	5.9079	2.8150	0.0238	12.4355	**8**
Harry Gwala	1.9667	1.6080	5.9075	3.0990	0.0264	12.6076	**9**
uMzinyathi	2.0626	1.6440	5.9202	3.0670	0.0269	12.7207	**10**
uMkhanyakude	1.9519	1.8800	5.9140	3.3570	0.0264	13.1293	**11**

The validity and reliability of the instrument as index of deprivation is assessed through correlation of the district municipality rank order with that derived by the SAIMD 2007. This furnishes r = 0.92, shown in table 7-19. The correlation is depicted graphically in figure 7-30.

Table 7-19: Instrument correlation with the 2007 SAIMD

	2007 SAIMD	*2016 Research study index*
2007 SAIMD	1	
2016 Research study index	0.92	1

Figure 7-30: Associational relationship of the municipal district ranking of the 2007 SAIMD and the research study instrument.



7.6 TEST FOR ASSOCIATION OF THE RESEARCH VARIABLES

The socio-economic characteristics of the KZN population having been identified and analysed by municipal district, it remains to undertake the fourth and final analytical element, being the test for association of the research variables. The spatial dispersion of the welfare NPOs operating in the province and the deprivation of KZN's district populations is anticipated to demonstrate a relationship. If a positive relationship is revealed, this would support a contention that social assistance provided by the third sector is aligned to the extent of the deprivation suffered by the district populations. Were a negative relationship to manifest, this would lend credence to a claim that attention must be given to purposefully intervening in the extent and nature of welfare provisioning – whether by government or the third sector – to ameliorate geographic disadvantage suffered by district populations. No conjecture is advanced on the nature of the relationship prior to analysis, for there is no theoretical foundation upon which to base such conjecture.

The quantum of registered NPOs providing welfare services in each district of the province is a simple measure of NPO incidence. The scope and extent of the association between deprivation and NPO dispersion can be measured by spatial comparison of the deprivation ranking of district municipalities and registered NPOs. This simple, somewhat rudimentary measure does not account for the prevalence of NPO welfare provisioning in each district municipality, however. Hence there is merit in iteratively repeating the association analysis with NPO prevalence, expressed as a rate-per-1 000-of-the-population.

In addition, it is observed that the prevalence of welfare NPOs compared to what can be considered the deprived portion of each district's population can also be assessed. However, the very absence of an absolute cut-off for deprivation implies that a proxy deprivation metric must be deduced. Official unemployment is interpreted to serve as a proxy measure for absolute deprivation, for it is unreasonable to contemplate that anyone who unsuccessfully seeks employment, does not experience privation. This metric can be augmented by the proportion of elderly (25% of the 64+ years of age population) interpreted by Stats SA of the 2011 census data as notably deprived. Undertaking the association analysis with a NPOs-per-1 000-of-the-deprived-population could conceivably better establish the extent to which NPO welfare provisioning under- or over-caters to deprived communities. In other words the association of NPOs-per-1 000-of-the-deprived-population and relative neediness of the provincial population (expressed as a deprivation ranking) can be established.

Repeating the analysis with a focus on the quantum of registered NPOs providing welfare services with government funding assistance towards this objective, serves to intensify the analysis for it spotlights the beneficence or maleficence of government funding allocation to the NPOs in each district. In other words, where communities suffer the greatest deprivation burden (the neediest districts), is where one might desire government funding to be most concentrated. Hence it is constructive to repeat the test for association, accounting for funded-NPOs-per-1 000-of-the-population as well as funded-NPOs-per-1000-of-the-deprived-population, compared to the relative neediness of the provincial population (expressed as a deprivation ranking).

7.6.1 Derivation of a deprivation cut-off point for determining NPO prevalence per 1000 of the deprived population

The district municipal general populations comprise sub-groups. To the extent that the available Census data provides descriptions of the sub-group characteristics, the populations can be probed to deduce a representative sub-set of deprived individuals. This sub-set serves as a proxy for the deprived for, as has been established, deprivation is relative and a simple headcount is an inappropriate measure of privation. However, the objective of the analysis is to determine, for each district municipality, the prevalence of NPOs relative to the proportion of neediest inhabitants of each district. To this end, a cut-off serves to provide an enhanced denominator when computing NPO prevalence as a measure of NPOs-per-1 000 of the population.

Three sub-groups are identified:

i. Children 14 years and younger
ii. Working-age adult population 15 to 64 years
iii. The elderly, 65+ years of age

Census data regrettably blurs the boundaries of children and young adults, hence a measure of deprivation is applied only to the two adult sub-groups. Working age adults who are officially unemployed (seeking work unsuccessfully) are filtered from the general working-age population. The elder population are recorded by the Census as experiencing significant economic and social disadvantage up to the 25th percentile. This proportion is similarly filtered from the general population of elders for each district. The resulting sum of the unemployed working-age adult population and significantly deprived elder population for each district is illustrated in Table 7-21. This illustrative sub-group of deprived citizens serves as a proxy representation for the deprived populations of each district and these district sub-groups can be used as a denominator in better calculating NPO prevalence as a rate-per-1 000-of-the-deprived-population of each district. Table 7-21 illustrates for example that eThekwini, while comprising 33.5% of the general KZN population of 10.27 million citizens, accounts for 41.2% of the deprived provincial population.

7.6.2 Test for association between spatial incidence of NPOs and district deprivation ranking

This test for association is the simplest of the iterations to be attempted and utilises the data recorded in table 7-20.

Table 7-20: Registered NPOs by deprivation-ranked district municipality (from least to most deprived)

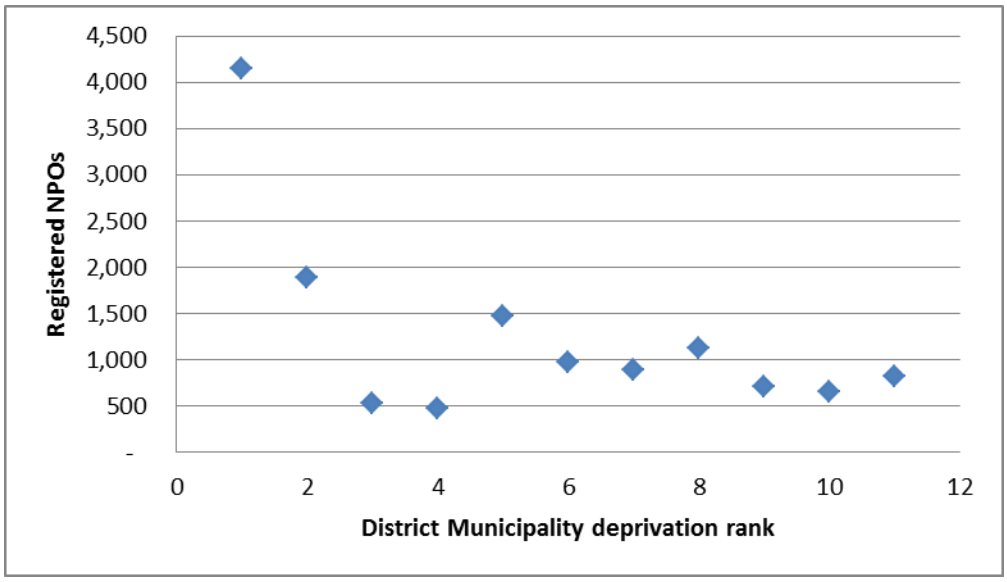
District Municipality	Deprivation Rank	Registered NPOs
eThekwini	1	4 150
uMgungundlovu	2	1 883
aMajuba	3	525
iLembe	4	479
uThungulu	5	1 466
Ugu	6	967
uThukela	7	891
Zululand	8	1 131
Harry Gwala	9	705
uMzinyathi	10	659
uMkhanyakude	11	818

A scatter plot of the data, represented in figure 7-31, suggests that there is no simple linear relationship between the distribution of registered NPOs and the deprivation experienced by each district's citizens.

Table 7-21: District Municipality (DM) general populations and proxy deprived proportions

	KZN	Ugu	uMgungundlovu	uThukela	uMzinyathi	Amajuba	Zululand	uMkhanyAkude	uThungulu	iLembe	Harry Gwala	eThekwini
Total DM general populations	10 267 300	722484	1017763	668847	510838	499839	803575	625846	907 519	606 809	461 419	3 442 361
DM proportion of KZN total		7.0%	9.9%	6.5%	5.0%	4.9%	7.8%	6.1%	8.8%	5.9%	4.5%	33.5%
14 years and younger	3 279 522	240503	288104	246209	205108	168374	317707	251930	315601	204 825	174 878	866 280
DM child proportion of KZN total		7.3%	8.8%	7.5%	6.3%	5.1%	9.7%	7.7%	9.6%	6.2%	5.3%	26.4%
15 to 64 years	6 479 734	434 080	675 561	391 369	279 066	308 194	448 330	345 865	550 871	371924	263 781	2 410 688
DM working-age adult proportion of KZN total		6.7%	10.4%	6.0%	4.3%	4.8%	6.9%	5.3%	8.5%	5.7%	4.1%	37.2%
65 years and older	508 052	47 901	54 098	31269	26664	23271	37537	28051	41048	30060	22 760	165 393
DM elder proportion of KZN total		9.4%	10.6%	6.2%	5.2%	4.6%	7.4%	5.5%	8.1%	5.9%	4.5%	32.6%
Deprived portion of each DM	1 110 817	74 302	118 769	66 098	35 644	56 602	66 767	50 496	87 563	57 612	39 235	457 729
DM proportion of KZN total		6.7%	10.7%	6.0%	3.2%	5.1%	6.0%	4.5%	7.9%	5.2%	3.5%	41.2%
14 years and younger	No reliable estimate can be made of particular deprivation suffered by children in this age group. The Census boundaries are blurred with education and unemployment statistics.											
15 to 64 years officially unemployed	983 803	62 327	105 244	58 281	28 978	50 784	57 383	43 483	77 301	50 097	33 545	416 380
DM working-age adult proportion of KZN total		6.3%	10.7%	5.9%	2.9%	5.2%	5.8%	4.4%	7.9%	5.1%	3.4%	42.3%
65 years and older 25th percentile	127 013	11 975	13 525	7 817	6 666	5 818	9 384	7 013	10 262	7 515	5 690	41 348
DM elder proportion of KZN total		9.4%	10.6%	6.2%	5.2%	4.6%	7.4%	5.5%	8.1%	5.9%	4.5%	32.6%

Figure 7-31: Registered NPOs vs. DM deprivation rank



The test for association delivers r = -0.58, recorded in table 7-22.

Table 7-22: Strength of linear association between spatial incidence of NPOs and district deprivation ranking

	DM deprivation rank	*registered NPOs*
DM deprivation rank	1	
registered NPOs	-0.58	1

7.6.3 Test for association between spatial prevalence of NPOs and district deprivation ranking

The association analysis conducted in the previous sub-section does not adequately leverage our understanding of NPO establishment as a conscionable response to ill-being by concerned individuals and groups. It is proposed that the analysis be advanced by utilising the prevalence of NPOs as a better indicator of the phenomenon of NPO establishment as a response to socio-economic ill-being. The data utilised for this test is contained in table 7-23.

Table 7-23: Registered NPOs-per-1 000-of-the-general-population by deprivation-ranked district municipality (from least to most deprived)

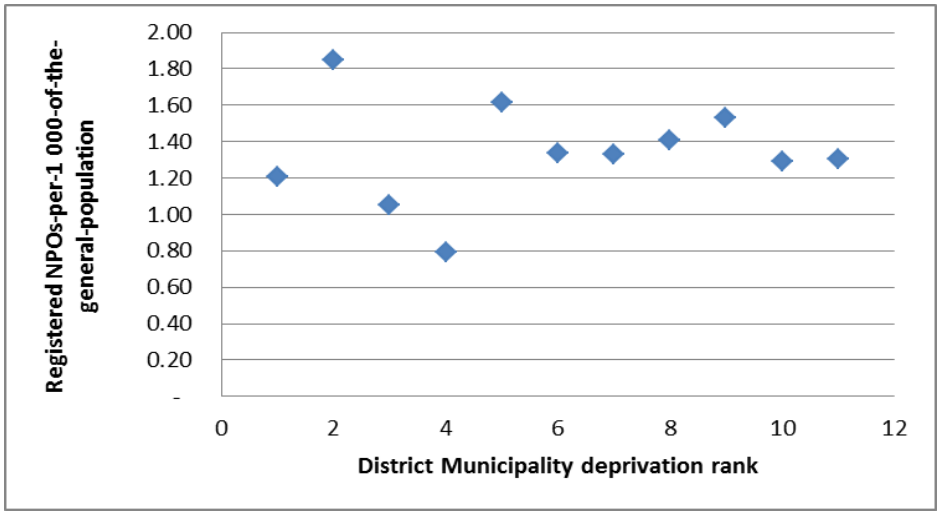
District Municipality	Deprivation Rank	Registered NPOs/1000 of the general population
eThekwini	1	1.21
uMgungundlovu	2	1.85
aMajuba	3	1.05
iLembe	4	0.79
uThungulu	5	1.62
Ugu	6	1.34
uThukela	7	1.33
Zululand	8	1.41
Harry Gwala	9	1.53
uMzinyathi	10	1.29
uMkhanyakude	11	1.31

Correlation of these variables confirms a weak positive relationship with r = 0.07, recorded in table 7-24. The relationship is illustrated graphically in figure 7-32.

Table 7-24: Strength of linear association between spatial prevalence of NPOs-per-1 000-of-the-general-population and district deprivation ranking

	DM deprivation rank	*Registered NPOs/1000 general population*
DM deprivation rank	1	
Registered NPOs/1000 general population	0.07	1

Figure 7-32: Registered NPOs-per-1 000-of-the-general-population vs. DM deprivation rank



7.6.4 Test for association between the spatial prevalence of NPOs as a proportion of the deprived population, and district deprivation ranking

The intention of this iteration is to enhance the demonstrable logic contained in the sub-section immediately preceding, by expressing NPO prevalence as a rate-per-1 000-of-the-deprived-population. A deprivation head-count was derived in sub-section 7.6.1 supra as a proxy representative for each district municipality's deprived citizens; this iteration seeks to explore the strength of the association with an enhanced definition of NPO prevalence. Table 7-25 records the data used for this test.

Table 7-25: Registered NPOs-per-1 000-of-the-deprived-population by deprivation-ranked district municipality (from least to most deprived)

District Municipality	Deprivation Rank	Registered NPOs/1000 deprived population
eThekwini	1	9.07
uMgungundlovu	2	15.85
aMajuba	3	9.28
iLembe	4	8.31
uThungulu	5	16.74
Ugu	6	13.01
uThukela	7	13.48
Zululand	8	16.94
Harry Gwala	9	17.97
uMzinyathi	10	18.49
uMkhanyakude	11	16.20

A scatter plot of the data suggests that a negative linear relationship may be revealed by a test for association, illustrated in figure 7-33.

Figure 7-33: Registered NPOs-per-1 000-of-the-deprived-population vs. DM deprivation rank

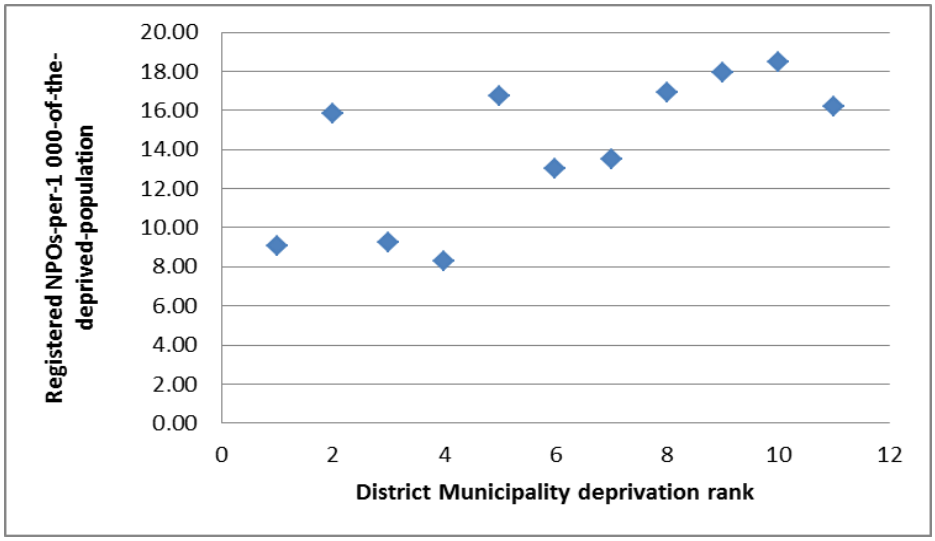


Table 7-26 records r = 0.69 suggesting that there is a positive linear relationship between the quantum of registered welfare NPOs in each KZN district, and the prevalence of deprivation as measured by a deprivation ranking.

Table 7-26: Strength of linear association between the spatial prevalence of NPOs-per-1 000-of-the-deprived-population and district deprivation ranking

	DM Deprivation rank	*Registered NPOs/1000 deprived population*
DM deprivation rank	1	
Registered NPOs/1000 deprived population	0.69	1

7.6.5 Test for association between spatial prevalence of government-funded NPOs and district deprivation ranking

It remains to undertake two further iterations of the test for association, being the correlation of government-funded NPOs with the general populations and the deprived populations of each district municipality. The rationale underpinning this analysis is that investigating the relationship of the spatial incidence of deprivation relative to the number of NPOs in receipt of government funding towards this objective, may reveal government under- or overfunding, relative to the neediness of the inhabitants of each district. The data for the following analysis is recorded in table 7-27.

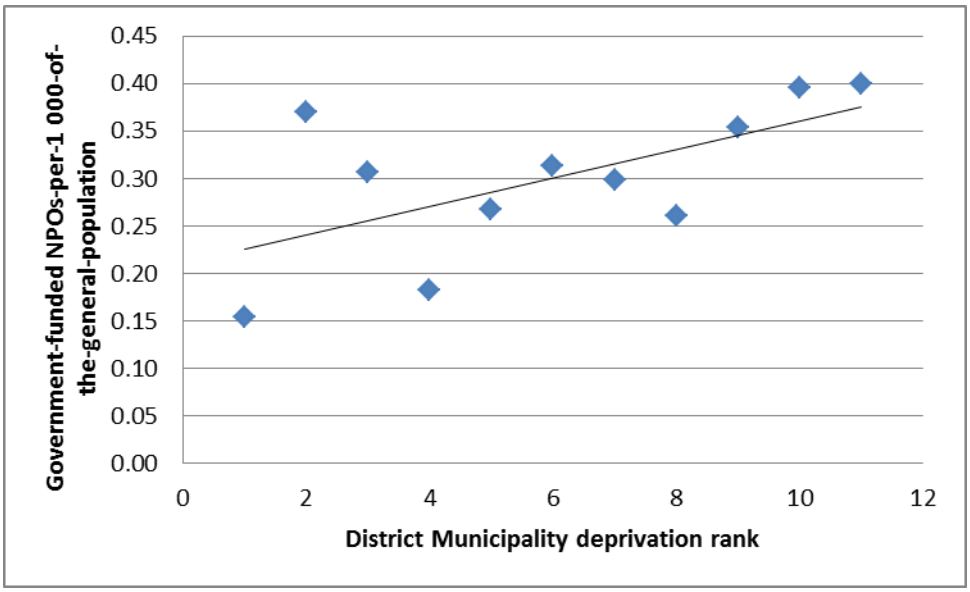
Table 7-27: Government-funded NPOs-per-1 000-of-the-general-and-deprived-populations by deprivation-ranked district municipality (from least to most deprived)

District Municipality	Deprivation Rank	Funded NPOs/1000 general population	Funded NPOs/1000 deprived population
eThekwini	1	0.15	1.16
uMgungundlovu	2	0.37	3.17
aMajuba	3	0.31	2.70
iLembe	4	0.18	1.93
uThungulu	5	0.27	2.78
Ugu	6	0.31	3.04
uThukela	7	0.30	3.03
Zululand	8	0.26	3.13
Harry Gwala	9	0.35	4.15
uMzinyathi	10	0.40	5.67
uMkhanyakude	11	0.40	4.95

7.6.5.1 Government-funded NPOs as a proportion of the general district populations and district deprivation ranking

The scatter plot depicted in figure 7-34 illustrates a positive linear association.

Figure 7-34: Government-funded NPOs-per-1 000-of-the-general-population vs deprivation rank



Testing for the strength of the correlation delivers r = 0.62, reflected in table 7-28. It is noted that intensifying the focus of the test for association by measuring government-funded NPO prevalence as a proportion of the deprived inhabitants of the eleven districts, may deliver an enhanced rendition of this relationship.

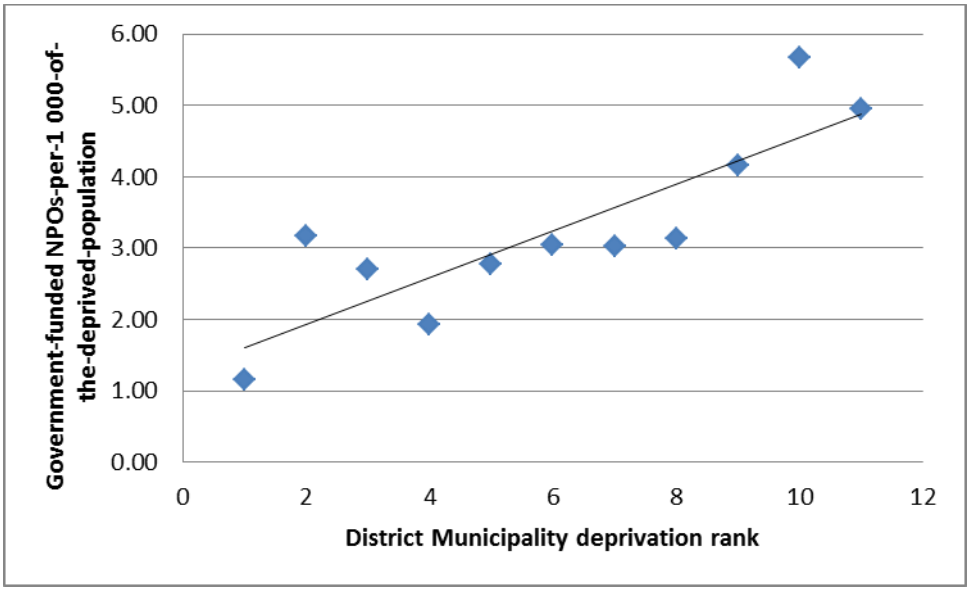
Table 7-28: Strength of linear association between spatial prevalence of government-funded NPOs-per-1 000-of-the-general -population and district deprivation ranking

	DM Deprivation rank	*Funded NPOs/1000 general population*
DM Deprivation rank	1	
Funded NPOs/1000 general population	0.62	1

7.6.5.2 Government-funded NPOs as a proportion of the deprived district populations and district deprivation ranking

A scatter plot as depicted in figure 7-35 illustrates a positive linear association.

Figure 7-35: Government-funded NPOs-per-1 000-of-the-deprived-population vs deprivation rank



Testing for the strength of the correlation renders r = 0.85, illustrated in table 7-29. This Rho suggests a strong positive relationship between the relative level deprivation experienced by each KZN district municipality and the assistance channelled by the KZN DSD to the most deserving recipients of welfare in the province.

Table 7-29: Strength of linear association between spatial prevalence of government-funded NPOs-per-1 000-of-the-deprived-population and district deprivation ranking

	DM Deprivation rank	*Funded NPOs/1000 deprived population*
DM Deprivation rank	1	
Funded NPOs/1000 deprived population	0.85	1

7.7 INTERPRETATION OF THE FIRST RESEARCH PHASE RESULTS AND PRELIMINARY CONCLUSIONS

The chapter's preceding analyses are interpreted hereunder, following the schema of analysis recorded in the chapter introduction. For ease of reference this schema is reproduced below:

i. the service profile of the welfare NPOs operating in the province;
ii. the spatial dispersion of these NPOs;
iii. the socio-economic deprivation profile of the KZN human population as a spatial phenomenon;
iv. the pattern of spatial association between the NPO population and the deprived inhabitants of the province, generally; and the
v. pattern of spatial association between the NPO population contracted by the state to provide welfare services on its behalf, and the deprived inhabitants of the province, specifically.

7.7.1 The service profile of the welfare NPOs operating in the province

Measured at April 2012, the national register of NPOs maintained by the DSD NPO Directorate contained 85 248 data records. The preponderance of registered NPOs are located in Gauteng (27 331 NPOs representing 32% of the national total) and KZN (16 846 NPOs, equivalent to 20% of the national total). These NPOs are recorded in the eleven classes of the International Classification of Non-Profit Organisations (ICNPO) explicated in chapter two. The eleven classes are discernible by activity, and some of this activity (for example, churches and other religious organisations, higher learning organisations, labour unions, professional associations, wildlife preservation and zoos and aquariums) does not directly attenuate deprivation suffered by a human population. Discarding these register records for the purpose of this research, as well as erroneous and hence indecipherable records, retains a population of 13 674 unique records.

Descriptive analysis (see table 7.3) distinguishes as worthy of remark, three categories of welfare NPO activity being social services (47.8%), economic, social and community development (20.3%) and HIV/AIDS (9.8%) that account for the substantial proportion of welfare NPO activity in the province. These 10 659 entities represent 78% of the registered NPOs engaged in ameliorating the deprivation of the KZN population.

In contrast, table 7.3 illustrates that some NPO categories have limited influence on the dynamics of the provincial welfare-NPO distribution. Environmental NPOs, for example, of which there are 81 registered entities in the province, pursue as objective the conservation of natural resources for public use and

enjoyment. However, these entities represent only 0.6% of provincial NPOs rendering a service in the community interest.

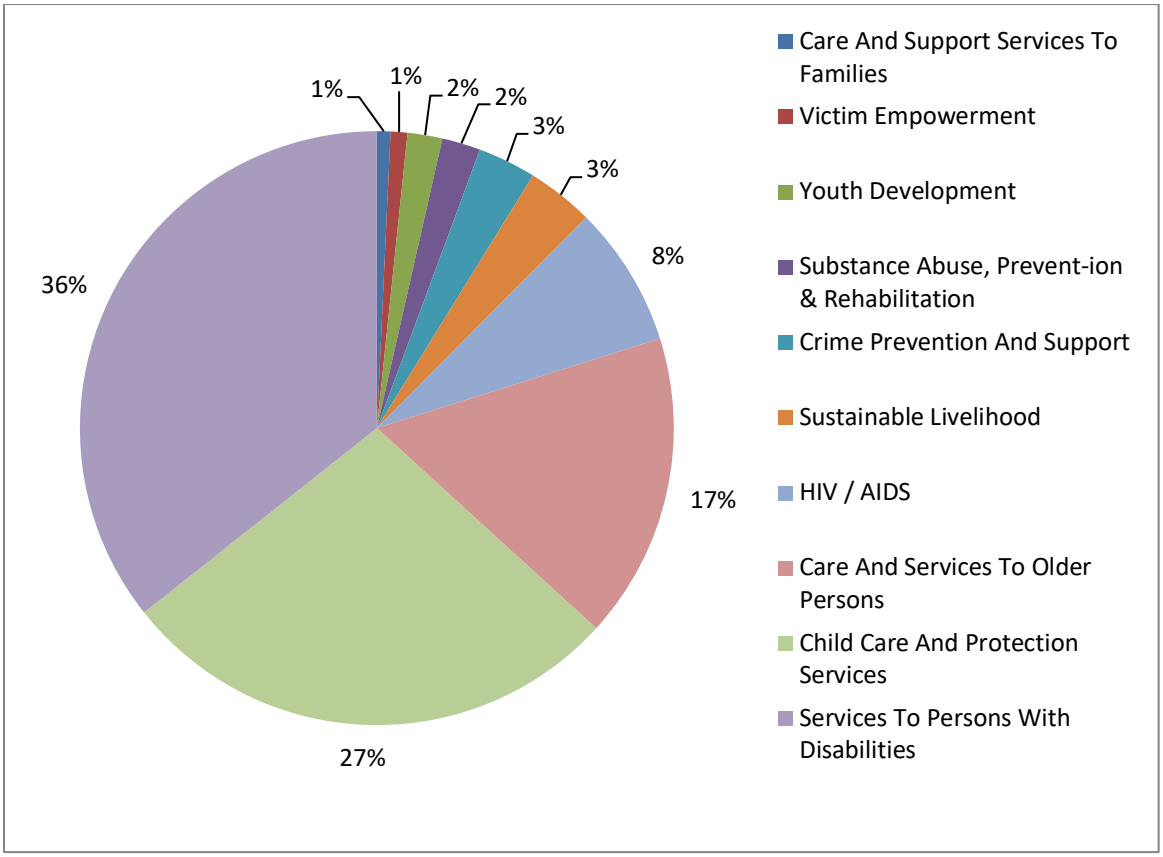
A proportion of NPOs is in receipt of government funding assistance, contributed by the DSD through ten funding programmes as subsidy towards maintaining these NPOs' operations. In the 2012/2013 government financial year, the period in which the NPO Directorate register was published and utilised for this research, 29.5% of the R1,985 million DSD budget was channelled to social welfare services (see section 7.3). This R587,3 million subsidisation of NPO operating expense isolates 2 665 NPOs as funding recipients (see table 7.6). Only big-three member NPOs receive funding, and the 2 665 funded NPOs represent 25% of the 10 659 big-three entities.

Scrutiny of the government funded NPOs, undertaken subsequent to reduction of the ten DSD funding programmes to the big-three NPO classes (see figure 7.5), reveals 802 organisations engaged in social services, 1 679 organisations providing economic, social and community development services and 184 providers of HIV/AIDS related services. These 2 665 service-provider entities are registered by the DSD as welfare organisations, treatment centres, outpatient clinics, homes for the aged, service centres (for the aged), homes for the disabled, children's homes, children's shelters, shelters for women, private places of safety, early childhood development providers, youth development services, community projects, home-based care facilitators and organisers of protective workshops.

It is premature to conclude that these organisations and the associated services they provide form the backbone of the provision of welfare to the deprived citizens of KZN for that is neither the object of, nor within the scope of this research. However, the selection by the DSD following its rigorous scrutiny of the 2 665 subsidised providers suggests at least the unexceptional interpretation that the DSD has identified this 25% proportion of big-three providers as a) the most credible organisations with which to partner and b) providers of the scope of welfare service the provincial government identifies as essential.

Potentially, this interpretation is naïve: the evidence suggests that some programme categories are emphasised at the possible expense of others. Figure 7-36 illustrates the share of subsidy received by NPOs in each of the ten programme categories. Unfortunately the published census data does not drill down to detail of disabled and pre-school children (0 – 5 years) as population proportions. Similarly, there exists no published statement to support the reasoning that funnels 63% of available budget for contracted third party welfare provision, to the two programme categories of services to people with disabilities, and child care and protection services.

Figure 7-36: DSD annual NPO subsidisation proportions by programme category



It is interpreted that in the presence of an abundance of registered NPOs, that the emphasis placed on these two programme categories suggests that government has elevated the importance of early childhood development and services to persons with disabilities.

Similarly, care and service to older persons can be argued as being discriminatorily subsidised because this population segment only numbers 4.9% of the KZN population (Census, 2011), yet homes for the aged, welfare organisations and service centres specialising in care of the aged, were channelled 17% of available government subsidisation in the review year..

Also anomalous and hence noteworthy, is remarkable subsidisation funnelled to the two programme categories of youth development and sustainable livelihood, the latter being understood as community projects. While figure 7-36 reveals only that these two programme categories are relatively negligible category beneficiaries of government subsidisation at 2% and 3% respectively of the 2012-2013 KZN welfare NPO subsidisation, table 7-7 demonstrates that only five organisations shared this subsidy pool, each a subsidy beneficiary of an average of R6.495 million. In contrast, the 1 674 early childhood development organisations each received an average subsidy amount of R96 699. Fathoming the rationale

underpinning the selection of a handful of NPOs to implement community development does not fall within the scope of the present discussion, however.

7.7.2 Spatial dispersion of welfare NPOs in the province

The goal of the analysis is to determine whether the welfare NPO sector is representatively and proportionately dispersed throughout the province. The analysis presented in table 7-5 illustrates the distribution of registered NPOs by district municipality. However, while this reveals the proportional dispersion of NPOs it does not reveal the relative intensity of NPO distribution. Table 7-6 illustrates the number of NPOs per-1 000-of-the-population. This shows that Ilembe municipality has the lowest number of NPOs relative to the iLembe population at 0.79 NPOs-per-1000-of-the-population, while uMgungundlovu has the greatest intensity at 1.85 NPOs per-1 000-of-the-population.

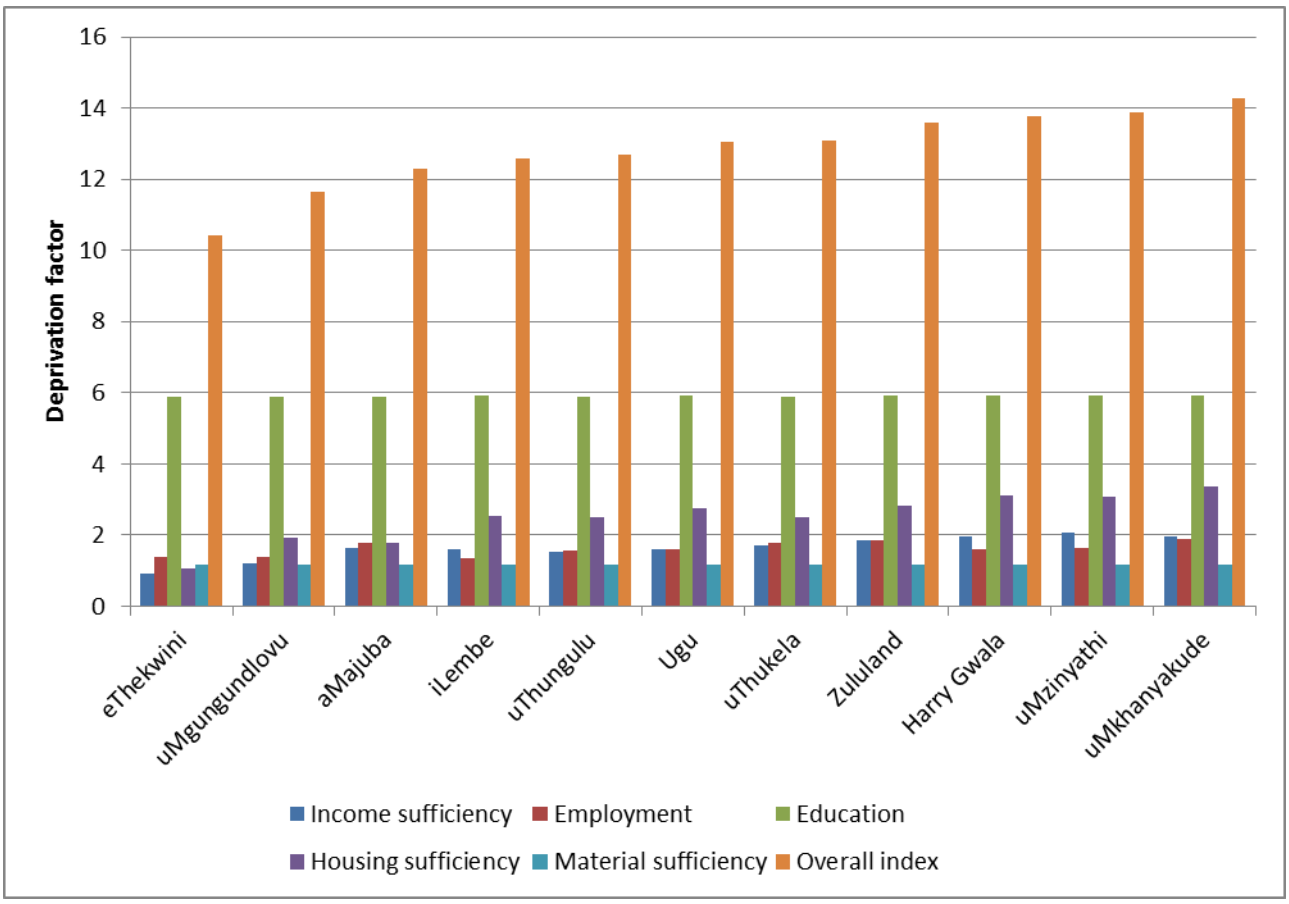
Test for association between the spatial dispersion of NPOs and district general population demonstrates a Rho of 0.97, suggesting that the district NPO populations align with the human population headcount of the districts; no district is observed to suffer proportional neglect or enjoy proportional surfeit of NPO activity.

7.7.3 The socio-economic deprivation profile of the KZN human population as a spatial phenomenon

Deprivation has been established as multi-dimensional. Profiling relative deprivation throughout the province on a district-by-district basis consequently relies on the establishment of a multi-factor deprivation index, computing the extent of deprivation as a function of 18 factor elements across five dimensions: income sufficiency, employment, education sufficiency, living environment sufficiency, and material sufficiency (see chapter 6, table 6-4).

Administering the index devised and deliberated in chapter five reveals in table 7-16 that eThekwini is the least deprived municipal jurisdiction while uMkhanyakude is demonstrably the most deprived. No commentary is attempted of the district poverty in each of the five dimensions because this contradicts the principle that deprivation is multi-dimensional; however, the relative contribution of each dimension to the overall deprivation computed as lived experience of the province's district populations is illustrated in figure 7-37.

Figure 7-37: Comparative deprivation experienced in KZN



7.7.4 The pattern of spatial association between KZN's welfare NPOs and the human population

The attraction of the eThekwini metropole - as a potential source of work, shelter and enhanced prospects for wellbeing and survival - is evidenced by a disproportionate share of the province's poor arising in this district municipality. It is computed that some 41.2% of the provincial poor reside in eThekwini (see table 7-18), contrary to the municipal district providing residence to 33.5% of the total provincial population. Similarly, but less overtly, the uMgungundlovu DM (centred around Pietermaritzburg) demonstrates a disproportionately high proportion of deprived DM residents. The deprived population proportion in this DM is 10.7%, while 9.9% of the provincial population are enumerated to reside here. The remaining nine district municipalities exhibit enumerated population proportions that exceed the deprived population proportions. The proportion by which the eThekwini and uMgungundlovu municipal poor exceed these district municipalities' share of the provincial population, is 23% and 22% respectively. It is anticipated

that this phenomenon is a reflection of the influence of Durban and Pietermaritzburg as perceived sources of work, shelter and opportunity by rural poor. Urban migration is not the scope of this research study, however, and this thread is not pursued further.

Several analytical iterations are undertaken in exploring the association between the spatial dispersion of welfare NPOs and the spatial incidence of deprivation. The first iteration (sub-section 7.6.2) tests the presence of a linear relationship between welfare NPO incidence and district municipal deprivation ranking. The weak negative relationship ($r = -0.58$) suggests limited association. It can be inferred that NPOs establish not only as a response to poverty, but also for other reasons. These antecedents could include infrastructure and the availability of the necessary human and financial capital to conceive and originate a human welfare organisation. However, this is not the ambit of this research and the prompted question is flagged for recording as a potential avenue of research, in the terminal chapter.

The second iteration (sub-section 7.6.3) tests the strength of association between the prevalence of welfare NPOs in the eleven districts, and district municipal deprivation ranking. Prevalence is determined by computing the number of registered welfare NPOs-per-1 000-of-the-general-population. The analysis illustrates a negligible relationship ($r = 0.07$) and is concluded to demonstrate little presence of any form of relationship.

The third iteration (sub-section 7.6.4) seeks to isolate the deprived proportion of each municipal district's population, using the factors documented in table 7-18. Cognisant that no clear cut off looms for the delineation of wellbeing from ill-being, the analysis establishes an adequate proxy for the clearly deprived proportion of citizens by isolating the unemployed and the 25th percentile of the elderly. The officially unemployed are indisputably deprived in that they continue, albeit unsuccessfully, to seek work. The 25th percentile of elderly are regarded by Stats SA to demonstrate a level of indigence that irretrievably classifies them as deprived. Exploiting this computed proportion of the general population as representative of deprivation, test for linear association reveals a positive relationship with strength of relationship measured as $r = 0.69$. This Rho is generally regarded to occupy the upper limit of moderate correlation.

The third analytical iteration suggests that while a relationship may not exist between the general population and the population of welfare NPOs, a relationship may be regarded to exist between the population proportion suffering ill-being, and the response to this social disadvantage by the non-profit welfare sector. This prompts a progression of analysis, as undertaken by sub-section 7.6.5. Two tests for association are conducted, representing the fourth and fifth analytical iterations. Both of these data sweeps seek to isolate the most active nodes of welfare-NPO activity, as denoted by the provincial government's adoption of a distinct sub-set of non-profit welfare agencies as collaborative partner in welfare provisioning to the

deprived provincial population. These collaborative partner NPOs have been screened and identified by the DSD as being of substance, reputation and capability.

The fourth iteration (sub-sub-section 7.6.5.1) tests for association between the spatial prevalence of government-funded NPOs and the general district populations. This sweep of the data advances the analysis of the second analytical iteration (sub-section 7.6.3), seeking to determine association and strength of relationship between the incidence of government funded NPOs and the district municipality deprivation ranking. A positive linear association is identified; the strength of the relationship is measured by $r = 0.62$. While this factor in itself is demonstrably, if not overwhelmingly indicative of relationship between NPO dispersion and population deprivation, it cannot be relied upon to conclude association between dispersion and deprivation. Hence the analysis proceeds to test the relationship in the final data sweep, of government funded-NPOs and the KZN province's deprived citizens.

The fifth and final iteration (sub-sub-section 7.6.5.2) seeks to advance the analysis of the third iteration (sub-section 7.6.4), which tests for association between the dispersion of government funded NPOs and the deprived proportion of the district populations. The third iteration appeared to identify a positive linear association ($r = 0.69$), hence this final data sweep seeks to measure the relationship between government funded-NPO dispersion, and the notably deprived proportion of the municipal populations. A positive linear association is distinguished with strength of relationship measured as $r = 0.85$. This is considered to reveal that a relationship can be claimed to exist between the distribution of NPOs selected as collaborative partners by the government and the distribution of lived deprivation by KZN's population.

7.8 SUMMARY AND IMPLICATIONS

The following summation can be drawn from this chapter's data analysis and interpretation:

Firstly, KZN domiciled 16 846 NPOs at the proximal cross section date, of which 13 674 were included in the study analysis. Of these eligible NPOs, three categories of welfare NPO activity merit distinction. These three categories are social services; economic, social and community development; HIV/AIDS; and the 10 659 entities so distinguished represent 78% of the registered NPOs engaged in ameliorating the deprivation of the KZN population. The KZN government selects a proportion of these three categories of NPO to assist government in welfare service provision. These NPOs are contracted by the DSD to undertake welfare service delivery to vulnerable individuals and groups. In the temporal cross-section represented by the first phase of this enquiry, 2 665 NPOs were contracted in this way. Reasonable conjecture submits that government has identified this select number of providers as a) the most credible organisations with

which to partner and b) providers of the scope of welfare service the provincial government identifies as essential.

Secondly, the welfare NPO sector is revealed to be representatively and proportionately dispersed through the province. District NPO populations align with the human population headcount of the districts and no district is observed to suffer proportional neglect or enjoy proportional surfeit of NPO activity. Notwithstanding this general conclusion, the data reveals government emphasis on contracted NPO assistance rendered by NPOs delivering service to the disabled, early childhood development facilitation and welfare services to the elderly. In addition, sustainable livelihood community projects and youth development appear to be emphasised, not in proportion, but in the subsidisation quantum channelled to a small number of NPOs.

Thirdly, the contribution of each dimension of the multi-dimensional deprivation instrument devised for this study contributes in nominally equivalent proportion to the ultimate deprivation suffered by KZN's district populations. eThekwini is shown to be the least deprived jurisdiction and uMkhanyakude the most deprived.

Finally, it is revealed that while eThekwini may boast status as the least deprived jurisdiction, the relative wellbeing of the well-off camouflages the fact that some 41.2% of the provincial poor reside in eThekwini, contrary to the metropole's resident population representing 33.5% of the provincial total. Similarly, the uMgungundlovu district deprived population of 10.7% exceeds the population proportion of 9.9%. It is speculated that the attraction of Durban and Pietermaritzburg as perceived sources of work, shelter and opportunity by rural poor serves as drawcard for migrants from the remaining nine districts. These remaining nine district municipalities exhibit enumerated population proportions that exceed the deprived population proportions.

Iterative analysis of the spatial dispersion of welfare NPOs and the spatial incidence of deprivation reveals:

i. a weak negative linear relationship ($r = -0.58$) between district municipal deprivation ranking and welfare NPO incidence;
ii. a weak positive relationship measured by $r = 0.07$ between district municipal deprivation ranking and the prevalence of welfare NPOs-per-1 000-of-the-general population;
iii. a moderate positive relationship ($r = 0.69$) between district municipal deprivation and NPOs-per-1 000-of-the-deprived-population computed for each district;
iv. the relationship between funded NPOs and the general population, determined as a moderate positive relationship ($r = 0.62$) in the case of funded-NPOs-per-1 000-of-the-general-population, is

placed in proper perspective when computed as a relationship between district municipal deprivation ranking and funded-NPOs-per-1 000-of-the-deprived-population. The correlation coefficient in this case, $r = 0.85$, indicates positive association and sufficient strength of association to conclude that a positive relationship exists between government's collaborative partner NPOs and the KZN province's deprived district populations.

This last finding constitutes hope that what government refers to as social developmental welfare is likely to be achieving satisfactory outcomes, certainly where government appears to have assiduously distinguished welfare-partner NPOs with which to contract. However, the first phase of this research enquiry merely identifies this trend. It is proposed, therefore, that the trend be more rigorously interrogated, to track the impact of what may be regarded as a modality, of government-directed social developmental welfare provisioning, executed by select contracting of welfare sector NPOs.

The intention of the second wave of research enquiry is to evince with detail, the impact of the state's modality of contracting select NPOs to undertake welfare provisioning on its behalf. Where the first phase merely isolates a trend, the second phase documents it longitudinally, in detail, over the available five-year time series. The evidence arising from this second phase of enquiry is documented in chapter eight following.

CHAPTER 8

SECOND RESEARCH PHASE DATA ANALYSIS

8.1 INTRODUCTION

This chapter documents the data analysis of the second research phase, and presents the factual conclusions derived from this analysis. Although principally encompassing a time series analysis prompted by the preliminary conclusions of the first research wave, the second wave of analysis also elaborates narratively on the quantitative evidence. This is achieved through qualitative analysis of DSD documentation, including policy statements, performance plans, strategic plans, budget votes, and monitoring and evaluation tools.

The first phase of research explores the proximal relationship between civil society welfare providers and the deprived beneficiaries of welfare services, so that the prospect for targeted resource allocation and efficient deprivation mitigation can be established. A reasonable preliminary conclusion prompted by this first wave of enquiry is that the NPO sector has been assiduously assessed, with select NPOs contractually appointed to provide state-directed welfare services where lived-deprivation is greatest. Offering some hope that KZN's deprived communities and individuals enjoy at least the promise of benefitting from services devised and directed to alleviate ill-being, this outcome informs the longitudinal analysis of the second wave. Setting out to explore the impact of the state's contracted-NPO funding modality, the second phase of the research discerns the alleged social development outcomes-effectiveness of the prevailing model.

The premise of the second wave is predicated on the outcome of the first wave: should government funding of contracted NPOs indicate a favourable spatial association of NPOs and deprived regional populations, the utility of this funding modality can be interrogated as a further wave of enquiry. If the results of an exhaustive, population-level data-driven analysis of DSD disbursements were to demonstrate inconsistency and/or an undiscriminating impact on the level of hardship experienced by KZN's deprived population, the modality can be concluded as ineffective. If, in addition, the implausibility of the modality can be nomothetically argued, the modality would have to be concluded as specious.

The analysis consequently proceeds according to the protocol detailed in chapter six. In pursuing the overarching research question, three investigate questions are indicated. Formerly presented in chapter six, table 8-1 (reproducing table 6-2) depicts the research question and the three associated investigative questions pursued to conclusion by the second wave. The remainder of this chapter therefore proceeds as follows:

i. The two quantitative data sets (citizen ill-being and government disbursements to NPOs) are descriptively and narratively depicted, to acquaint the reader with the pattern of what is a considerable quantum of data. In so doing, the first two investigative questions recorded in table 8-1 are addressed. This forms the subject of sections 8.2 and 8.3 respectively.

ii. The quantitative data identified and described, the outcome of the regression modelling inferential analysis is presented, with interpretation. This serves to address the consistency and coherence of the funding modality and is undertaken in section 8.4.

iii. However, quantitative analysis alone cannot assess the adequacy of the modality, hence qualitative data is introduced with accompanying analysis, to supplement the quantitative findings and interpretation. The quest in doing so, is to interpret the extent to which government policy documents and statements align to the criteria established as cogent for social development (see section 6.7). This is the subject material of section 8.5.

Completing the analysis enables conclusion of the chapter, accomplished by a summary of the evidential underpinnings and actual findings. The derivation of conceptual conclusions is held over to chapter nine.

Table 8-1: Research questions and associated investigative questions of the second research phase

	Research purpose	Research question	Investigative questions
Second phase	The ostensible meritocracy of state contracting of NPOs established at the conclusion of the first phase of research, explore the impact of the state's contracted-NPO funding modality, to identify the effectiveness of the prevailing model.	2. Can an **explanatory relationship** be discerned between the state's funding modality and the incidence and prevalence of derivation exhibited in the eleven KZN provincial districts?	2.1 What is the change in KZN's regional deprivation intensity over five years measured from the base year of 2012/13?
			2.2 What is the quantum and categorical allocation of funding by the state in KZN over five years measured from the base year of 2012/13?
			2.3 Does the state's annual social welfare categorical funding allocation in KZN significantly predict a reduction in the regional intensity of the province's deprivation?

8.2 ASSESSING THE CHANGE IN KZN'S REGIONAL DEPRIVATION INTENSITY OVER FIVE YEARS, MEASURED FROM THE BASE YEAR OF 2012/13

8.2.1 Data description

Multi-dimensional theories of deprivation demonstrate a premium conceptualisation of ill-being relative to income approaches. Income approaches encapsulate deprivation in what is regarded as a narrow and hence tenuous interpretation, of income poverty. The research question originating this research, in the first wave, focused on ordinally ranking the province's municipal districts by the relative spatial prevalence of multi-dimensional deprivation. The emphasis fell upon assessing the association of this ranking with the spatial dispersion of welfare NPOs.

The second phase of analysis emphasises the impact of alleged social development beneficiation directed at the deprived via contracted NPOs. This does not render the dispersion of deprivation as a matter of little consequence. On the contrary, emphasis could rationally be expected to fall on palliating the consequences of deprivation experienced by those who are worst off. The knowledge commons acknowledges a spatial pattern of hardship to characterise the province. However, the focus is directed in the second wave at establishing the positive change in deprivation that can be regarded to arise as a consequence of government's social development modality. Simply put, this comprises an amalgam of traditional welfare and claimed developmental welfare services, provided by welfare NPOs contracted for the purpose in the district municipal demarcations. A reversal of fortunes, if you will, facilitated by what government proffers as a resourcefully devised mechanism.

Government's contention is that this expenditure should be regarded as an investment by the state in social development. It has been established (see chapter three) that civil society is regarded by the self-same state as fundamental to social welfare delivery. Whether this delivery can be considered an exercise in developmental welfare is, however, contestable. The first step in supporting this contradiction, is to establish a reliable, consistent and valid measure of ill-being, available for this study.

StatsSA provide such a measure, in the form of the poverty headcount computed as "the proportion of households that are considered to be 'multidimensional poor' in the defined [by municipal district boundary] area" (StatsSA, 2016b, vii). This computation establishes a measure of ill-being that is quantitative (and hence compatible with ordinary least squares regression), as well as consistent in application and considered to be a valid metric.

The last census (2011), and the community survey conducted by StatsSA in 2016, provide this measure (see chapter six, sub-section 6.3.4). The poverty headcounts are illustrated in table 8-2. The district ordinal ranking using StatsSA's SAMPI-derived deprivation measurement is negligibly distinct from the ranking

generated by the first research phase instrumentation. However, no inter-phase comparison is indicated, nor attempted, neither does this influence the outcome of either research phase

To negate confusion arising from the distinction between calendar and financial years, the table headings in respect of time period employ dual labels. Accordingly, the StatsSA Community Survey (2016) records the poverty headcounts for 2016 (about June of that year) and the October 2011 census. The census was published in early 2012 and this research (in both waves) has treated the census as a record of the 2012 calendar year. The ordinal deprivation ranking outcome of the first wave is therefore regarded as a 2012 calendar year derivation. The missing values interpolated for this table of poverty headcounts consequently represent the calendar years 2013 through 2015.

Table 8-2: KZN district poverty headcounts from 2012/13 to 2016/17

District	Deprivation ranking		Period					Five-year improvement in poverty headcount
	StatsSA (2016)	First wave (2012)	2012/13 2012	2013/14 2013 *	2014/15 2014 *	2015/16 2015 *	2016/17 2016	
eThekwini	1	**1**	6.6%	6.2%	5.7%	5.3%	3.8%	42.4%
uMgungundlovu	3	**2**	7.7%	6.9%	6.1%	5.3%	5.9%	23.4%
Amajuba	2	**3**	7.5%	6.8%	6.1%	5.4%	4.7%	37.3%
iLembe	5	**4**	13.2%	12.4%	11.7%	10.9%	10.1%	23.5%
King Cetshwayo	4	**5**	11.1%	9.1%	7.0%	5.0%	7.7%	30.6%
Ugu	8	**6**	15.1%	14.3%	13.4%	12.6%	11.9%	21.2%
uThukela	6	**7**	13.7%	12.5%	11.2%	10.0%	10.1%	26.3%
Zululand	7	**8**	12.9%	11.7%	10.6%	9.4%	10.4%	19.4%
Harry Gwala	9	**9**	19.3%	18.6%	17.9%	17.2%	14.3%	25.9%
uMzinyathi	10	**10**	23.7%	23.1%	22.5%	21.8%	15.5%	34.6%
uMkhanyakude	11	**11**	20.4%	19.5%	18.6%	17.7%	15.7%	23.0%

Source: Derived from Stats SA Community Survey (2016), * denotes linear interpolation of missing values.

8.2.2 Interpreting the evidence

While lived deprivation throughout the province may be regarded as generally diminished, a caution is sounded: poverty headcounts merely represent an appreciation of what we may regard as relative deprivation, spatially manifested. The metric cannot convey beyond a broad appreciation, the misery

camouflaged by a bland percentage. This misery, as it is experienced, is conceded as also being relative, but it is experienced as an intensity of deficit and where infrastructure and resources are especially lacking, more intensely so. However, the parameters of this research and in particular the research question's resolution, are adequately served by a consistent and objective measure of the spatial relativity of lived deprivation in the province, over the time series period. That this measure may not adequately convey the lived deprivation experience, is therefore of little consequence – the relative wellbeing of the least deprived districts is ranked by quantitative measure, and is therefore suitable for exploiting as a dependent variable in ordinary least squares regression.

The poverty headcount can be used to compute, as the arithmetical product of the district poverty headcounts and district populations, a quantum of deprived KZN citizens in each municipal district. The objective of regressing the provincial government's annual disbursements to welfare-oriented NPOs over the five-year time-series, on these district groupings, is to ascertain the extent to which the reduction in ill-being is explained by government's contracting of NPOs to provide welfare services (both traditional and developmental), throughout the province on government's behalf. To this end, the dependent variable may be regarded as specified and determined. It remains to determine the panel data set of the independent variable (disbursements to NPOs), undertaken in the next section.

8.3 ESTABLISHING THE QUANTUM AND CATEGORICAL ALLOCATION OF FUNDING BY THE STATE IN KZN, MEASURED FROM THE BASE YEAR OF 2012/13

8.3.1 Data description

A total of 14 642 NPO disbursement data records were scraped from five DSD annual reports, from the base year ending March 2013, to the terminal time series year of 2016/17. The data set is summarised in table 8-3. The annual entries are totalled on the left of the table adjacent the data labels, hence the table is read from left to right, from the most recent to the first year of the time-series.

The volume of data is such that a number of elements in the table warrant elaboration, to both assist the reader in orientation and to highlight apparent anomalies. While almost 15 000 contracts were struck with NPOs by the DSD, to a total value of ~ R3,6 bn, at a rate of ~ 3 000 contracts a year, the annualised totals disguise the sweeping variation within the categories of funding. In 2013/14 for example, total disbursements to HIV/AIDS NPOs shrunk by 85% from R45.1m to R6.6m. This resulted in 169 NPOs, recipients in the previous period of an average annual contract revenue of R245 000, not enjoying contract renewal.

The situation was to recover in the following year, 2014/15, and the funding pattern has remained reasonably consistent since then. However, the prospect of the 169 NPOs declined opportunity to renew contracts with the KZN DSD in 2013/14, surviving a sudden withdrawal of a substantial component of annual revenue, is slim. In view of the scant prospect of contracted NPOs enjoying a complete (and hence self-sufficient) independence from government (see chapter three), the prospect of contract non-renewal impacting adversely on NPO entities operating in this sector is notable. However, confirming the extent of this disaffection is beyond the scope of this research, hence the issue is flagged (in chapter ten) as necessary additional research enquiry.

The HIV/AIDS programme hiatus aligns to a substantial increase in government interest in youth development in 2013/14. The DSD reported a three-fold increase in disbursements expenditure to contracted youth development NPOs in 2013/14, relative to the prior year. This represents a programme-category increase in disbursement of R23.8m. The total disbursement to youth development NPOs of R34.9m, was shared by nine fortunate NPOs, each receiving an average of R3.9m. Bizarrely, no youth development NPOs were contracted at all in the subsequent year, 2014/15. Inferentially, the operating costs of these nine NPOs were not subsidised in any way, in 2014/15 and the substantial 2013/14 contract disbursement must be assumed as a suite of capital-and-operating-costs funding. However, 13 NPOs emerged victorious in 2015/16, attracting government revenue of R19.4m at an average of R1.5m per organisation. The number of contracted youth development NPOs was to quadruple in the 2016/17 year to 52 organisations, recipients of R31.4m DSD programme-category disbursement.

In the 2016/17 year, total disbursements made to all programme-category NPOs declined from R801.3m to R791m, but an additional 172 organisations were contracted in the period. Average government revenue enjoyed by each contracted NPO would obviously decline, but the relatively negligible decrease in the average annual income of less than R20 000 per NPO, disguises the reduction in funding of R70.5 m to NPOs catering to the needs of the elderly, HIV/AIDS victims and the disabled. Fifty fewer NPOs in these three categories of conventional welfare service were contracted in the 2016/17 year. In the programme category ‘Care to elders’, for example, 21 fewer organisations were contracted, and the 391 organisations funded in the 2017 financial year were to get by on a diminished annual revenue stream, an average annual reduction of just over R62 000. In absolute terms, this reduction may appear immaterial, but it equates to a 24% reduction in the 2016 financial year funding tranche.

The quid pro quo engineered by government, however, was the redirection of the 2016/17 budget to three NPO classes that are arguably government’s social development flag bearers: sustainable livelihoods, women development and youth development. An additional R25m supplemented the prior year expenditure of R27.8m advanced to 49 NPOs in these three ‘social development’ NPO classes.

Table 8-3: Provincial disbursement of social development funding to NPO contractors from 2012/13 to 2016/17

Funding categories		Five-year total	2016/17	2015/16	2014/15	2013/14	2012/13
Care to Elders	Total expended	R491,797,256	R76,354,351	R106,119,463	R106,400,540	R105,149,733	R97,773,170
	No. of NPOs	1,958	391	412	414	395	346
	Average spend/NPO	R251,173	R195,280	R257,572	R257,006	R266,202	R282,581
Care to Families	Total expended	R24,653,799	R4,963,092	R5,545,980	R5,262,530	R4,553,002	R4,329,195
	No. of NPOs	49	13	10	9	10	7
	Average spend/NPO	R503,139	R381,776	R554,598	R584,726	R455,300	R618,456
Child Care	Total expended	R2,109,331,846	R514,093,395	R473,913,171	R442,308,137	R367,739,810	R311,277,334
	No. of NPOs	10,646	2,259	2,126	2,261	2,006	1,994
	Average spend/NPO	R198,134	R227,576	R222,913	R195,625	R183,320	R156,107
Crime Prevention	Total expended	R86,620,874	R13,195,791	R19,247,365	R17,958,838	R17,620,052	R18,598,827
	No. of NPOs	49	9	14	10	8	8
	Average spend/NPO	R1,767,773	R1,466,199	R1,374,812	R1,795,884	R2,202,507	R2,324,853
HIV/AIDS	Total expended	R252,966,008	R55,570,613	R72,755,601	R72,894,248	R6,634,864	R45,110,682
	No. of NPOs	910	234	257	220	15	184
	Average spend/NPO	R277,985	R237,481	R283,096	R331,337	R442,324	R245,167
Disabled Care	Total expended	R297,818,378	R43,664,455	R67,297,641	R64,537,669	R62,274,253	R60,044,360
	No. of NPOs	440	88	94	93	88	77
	Average spend/NPO	R676,860	R496,187	R715,932	R693,953	R707,662	R779,797
Substance Abuse	Total expended	R68,814,976	R13,934,767	R14,543,034	R15,049,715	R12,982,350	R12,305,110
	No. of NPOs	134	32	29	29	25	19
	Average spend/NPO	R513,545	R435,461	R501,484	R518,956	R519,294	R647,637
Victim Empowerment	Total expended	R55,431,530	R16,834,692	R14,122,190	R11,803,210	R7,307,371	R5,364,069
	No. of NPOs	190	50	43	38	34	25
	Average spend/NPO	R291,745	R336,694	R328,423	R310,611	R214,923	R214,563
Sustainable Livelihoods	Total expended	R72,149,093	R13,563,207	R6,558,722	R7,650,000	R23,036,294	R21,340,870
	No. of NPOs	148	41	31	13	60	3
	Average spend/NPO	R487,494	R330,810	R211,572	R588,462	R383,938	R7,113,623
Women Development	Total expended	R9,757,824	R7,929,224	R1,828,600	0	0	0
	No. of NPOs	42	37	5	0	0	0
	Average spend/NPO	R232,329	R214,303	R365,720	0	0	0
Youth Development	Total expended	R96,915,084	R31,418,874	R19,438,563	0	R34,923,588	R11,134,059
	No. of NPOs	76	52	13	0	9	2
	Average spend/NPO	R1,275,198	R604,209	R1,495,274	0	R3,880,399	R5,567,030
Grand total, disbursements to NPOs		**R3,566,256,668**	**R791,522,460**	**R801,370,330**	**R743,864,886**	**R642,221,316**	**R587,277,676**
Grand total, number of contracted NPOs		**14,642**	**3,206**	**3,034**	**3,087**	**2,650**	**2,665**
Average spend/NPO		**R243,563**	**R246,888**	**R264,130**	**R240,967**	**R242,348**	**R220,367**

The resulting 2016/17 funding pool of R52.9m for these three programme-categories, was lavished on an additional 81 NPOs. Each of the 130 NPOs was to receive an average of R407 000 in this period.

South Africa's regrettable democratic-period record of public administration fiascos, suggests at least the potential for the KZN DSD administration implausibly successfully identifying and vetting 81 additional contractors, whilst simultaneously evaluating the performance of the 49 2015/16 contractors. Suitably alerted by what could represent a contradiction to the principles of probity anticipated of the public service, and not just an anomalous once-off aberration, the prospect for imprudent DSD decision making is flagged as an enquiry warranting further interrogation.[1]

Distinguishing social welfare from social development entertains comparative depiction, however, and figures 8-2 and 8-3 respectively illustrate the trend in annual disbursements to the NPOs within these categories. In this schema, social welfare encompasses traditional social welfare activities, aligned to the DSD programme-categories of care to elders, care to families, child care, crime prevention (which is really about rehabilitation of juvenile offenders), support to HIV/AIDS sufferers, assistance to the disabled, rehabilitation of victims of substance abuse, and victim empowerment. Services provided by NPOs in these programme-categories are not reserved for the indigent, but it is safe to presume that the services are primarily taken up by individuals with constrained financial means, and limited community and family support structures.

Child care is an oddity. This programme-category is principally occupied by early childhood development (ECD) service providers. Notably, ECD planning and provisioning was removed from the jurisdiction of the DSD (and transferred to the Department of Basic Education), commensurate with the first of the two 2019 Presidential State of the Nation Address (SONA) allocutions. As Equal Education's McFarlane points out, however:

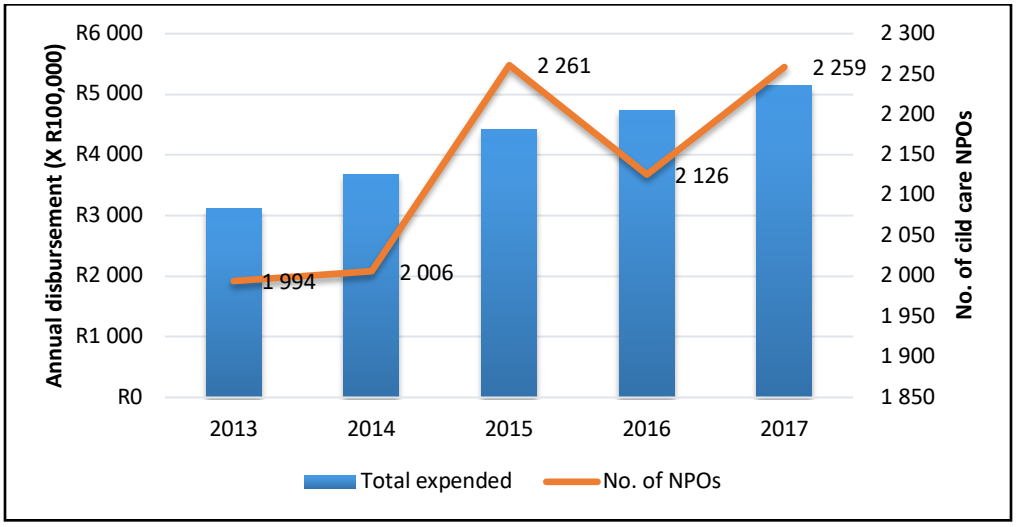
> *The ECD conditional grant, introduced in 2017 to increase access to ECD services and improve the condition of ECD centres, has remained with the Department of Social Development. There is no clarity on when or how the shift to the DBE will take place. It also remains entirely unclear how two years of compulsory ECD for all learners in the country will be funded when the ECD grant is projected to remain almost stagnant over the next three years, barely keeping up with inflation.* (McFarlane, 2019, online)

It remains to be seen, with the reporting in the financial years ending in March 2020 and 2021, how the president's early-2019 announcement will impact the role of DSD's contracted ECD NPOs. Over the time

[1] All recommendations for further research, prompted by the evidence and findings of the current research, are articulated in chapter ten.

series period under review, however, the DSD devoted the preponderant share of the available annual child care budget to ECD. Table 8-3 supra illustrates that the child care programme category exhausted R2.1bn, 59% of the total disbursement of R3.6bn over the five year time series. This was directed to 10 646 child care NPO contracts, almost 73% of the 14 642 NPO contracts struck over the period. The average disbursement over the period is not unusual – however, it is the only welfare service programme-category that has experienced steady growth over the review period. Figure 8-1 illustrates this particular pattern of disbursement.

Figure 8-1: Five-year pattern of KZN DSD disbursement to child care NPOs



Consuming almost seven times the share of the annual DSD disbursement to NPOs than the next largest budget allocation, care to elders, the child care programme-category is deliberately excluded from the comparative illustration of figures 8-2 and 8-3. Retaining the programme in comparative illustration, masks the pattern of government expenditure dedicated to the other social welfare and social development programmes. Figure 8-2 is therefore presented *sans* government's child care programme contractual spend.

The consequence of neglecting to renew the contracts of 169 of the HIV/AIDS organisations contracted in 2012/13, is speculated as substantial. Over R38m, or 85% of the prior year allowance, was redirected in 2013/14, R23.8m of this to youth development. Figure 8-3 contrasts the relative enthusiasm of the DSD for what is mustered by government as social development programmes: sustainable livelihoods, women development and youth development.

Figure 8-2: Annual KZN DSD spending on social welfare programme-category NPOs (child care NPOs excepted)

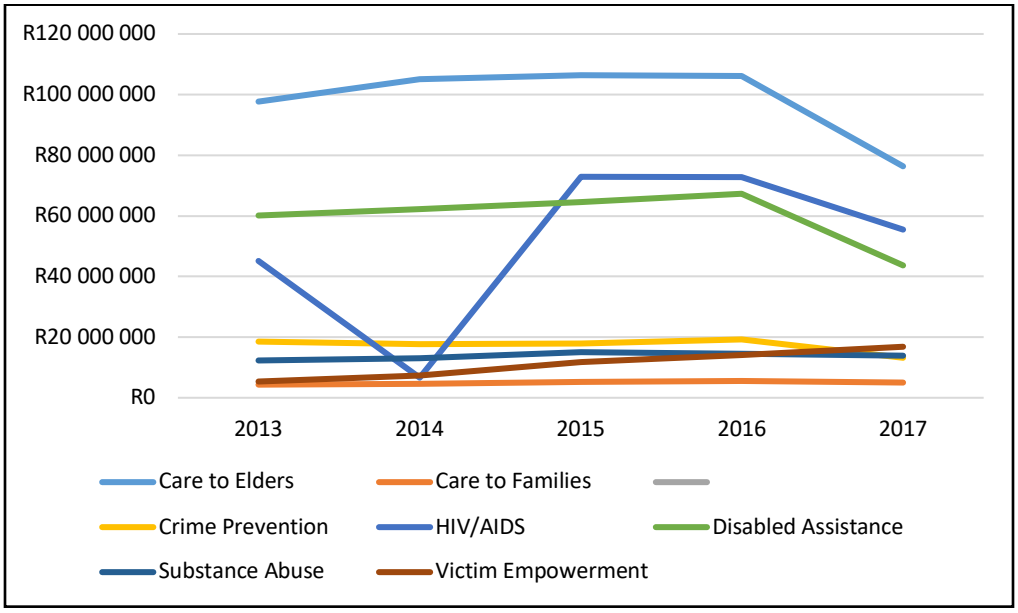
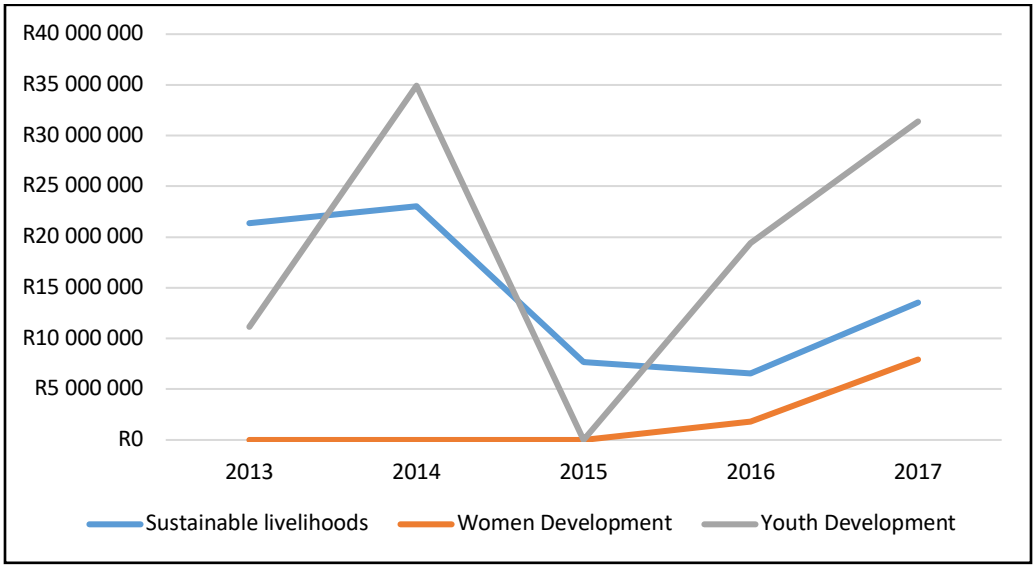


Figure 8-3: Annual KZN DSD spending on social development programme-category NPOs

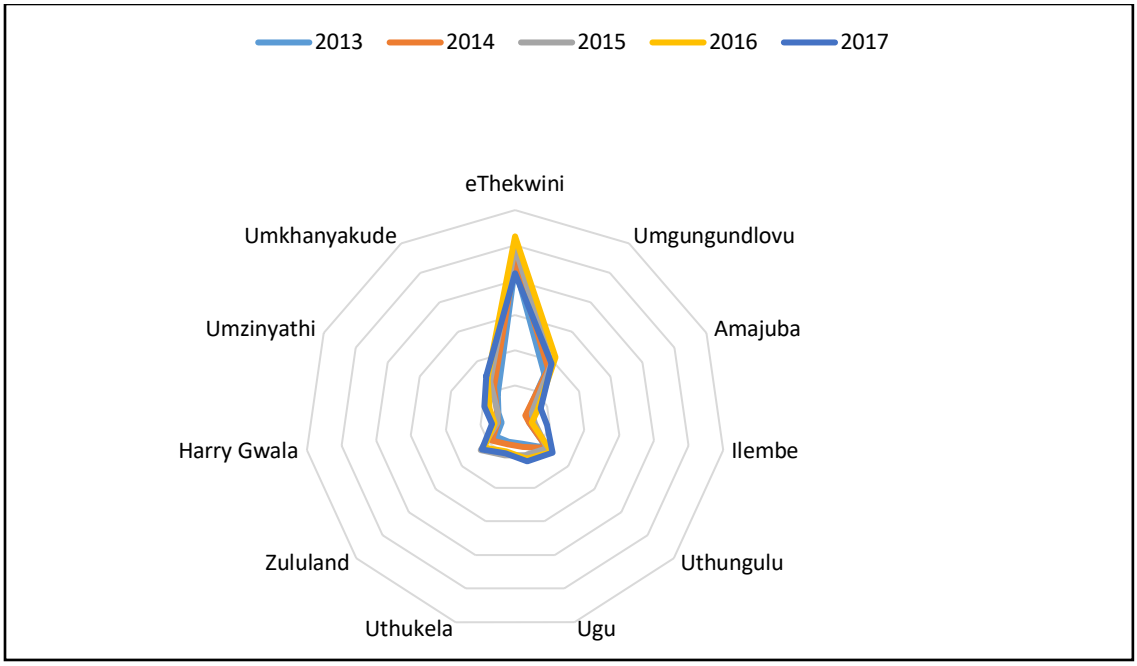


The apparent erraticism of the DSD's funding pattern over the time series, prompts closer attention. The preceding analytical depiction illustrates a degree of inconsistency with respect to welfare programmes. It is possible to drill down to the expenditure pattern experienced at the level of municipal district, where the first research wave established an ordinal ranking of

deprivation. The rationale is clear – the worst off will require more intervention than those that are better off. The principles of distributive justice serve to steer allocation of resources equitably, and the more severe the intensity of lived deprivation, the greater the level of welfare intervention, and hence disbursements to NPOs, one would rationally expect to encounter.

Figure 8-4 illustrates the five-year pattern of the DSD's total disbursement to NPOs (over all programme categories), by municipal district. No evidence of manifest inconsistency is apparent. While eThekwini clearly receives the preponderant share of the annual budget allocations, this is to be expected given the size of the metropole's population relative to the small, rural district municipalities. Table 8-4 documents the allocation of the DSD's annual NPO expenditure over the five-year analysis period.

Figure 8-4: Total KZN DSD funds disbursed to NPOs, by municipal district



The districts are recorded here in the order of wellbeing established by the first research wave. Acknowledging the negligible difference this ordinal ranking represents relative to the StatsSA ranking, the data suggests some form of logic informs the allocation of funds. With the annual allotment **to each district** representing an evident consistency (figure 8-4), the logic is conceivably

the district populations. Figure 8-5 depicts this prospect and the pattern of allocation can reasonably be described is consistent.

Table 8-4: Five–year district allocation of DSD disbursements to contracted NPOs

KZN Districts	Financial year (all amounts in Rands)					
	2012/13	2013/14	2014/15	2015/16	2016/17	Five-year District Totals
eThekwini	219,138,689	229,535,721	246,841,744	262,521,188	209,818,026	**1,167,855,368**
uMgungundlovu	77,312,099	87,707,362	95,873,503	106,668,398	95,717,246	**463,278,606**
Amajuba	18,139,459	15,875,128	25,700,276	35,189,382	40,217,915	**135,122,159**
iLembe	19,912,903	20,722,309	28,158,473	23,647,871	45,950,263	**138,391,819**
King Cetshwayo	60,248,022	60,241,532	60,640,688	69,336,885	70,833,545	**321,300,673**
Ugu	34,385,146	39,640,368	51,378,047	56,844,071	60,883,167	**243,130,798**
uThukela	31,964,488	35,525,817	51,998,258	46,176,669	48,748,457	**214,413,689**
Zululand	35,639,384	44,125,616	64,883,048	58,646,409	62,689,263	**265,983,720**
Harry Gwala	19,683,084	24,507,761	26,103,302	29,241,268	32,886,633	**132,422,048**
uMzinyathi	25,735,203	27,778,497	26,733,320	40,089,577	48,064,009	**168,400,605**
uMkhanyakude	45,119,200	56,561,207	65,554,227	72,715,613	75,713,937	**315,664,183**
Annual totals	**587,277,676**	**642,221,316**	**743,864,886**	**801,077,330**	**791,522,460**	**3,565,963,668**

However, this would represent a crass logic, because the populations at large are not deprived. A more reasonable rationale would be that the DSD allocates the determined annual budget for NPO contract co-option, according to **each district's relative impoverishment**. Repeating the previous depiction (per figure 8-5), but with government's expenditure in each district rendered as the quotient of district expenditure and district poverty headcount, delivers the pattern exhibited in figure 8-6.

Figure 8-5: District per-capita DSD social welfare expenditure on contracted NPOs

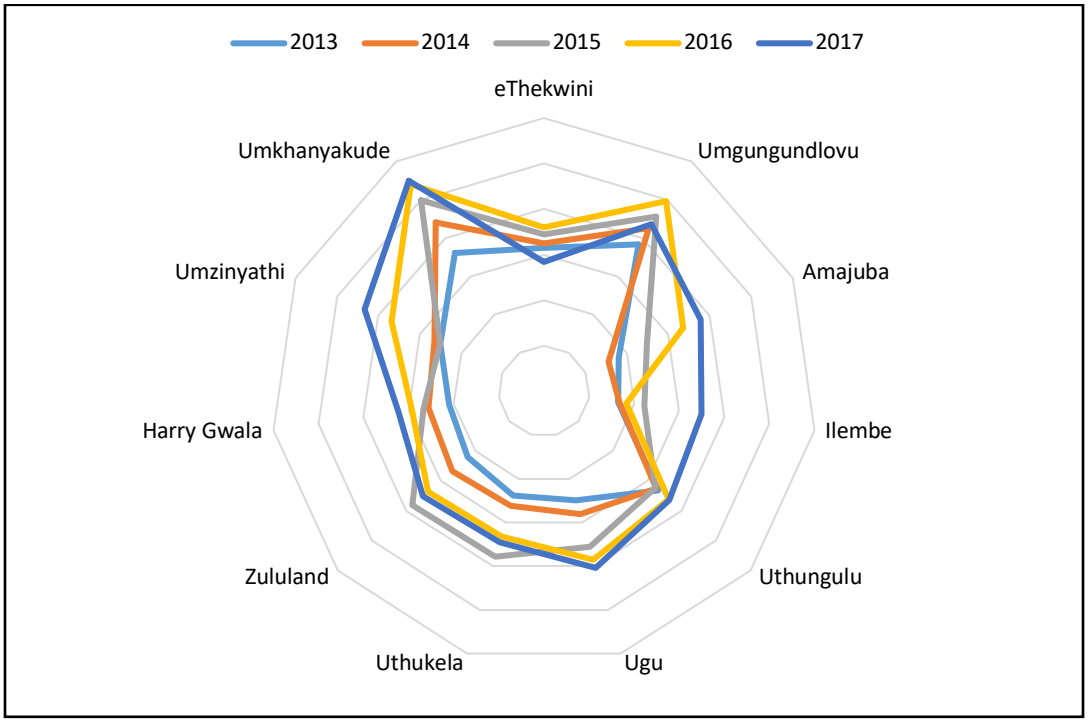
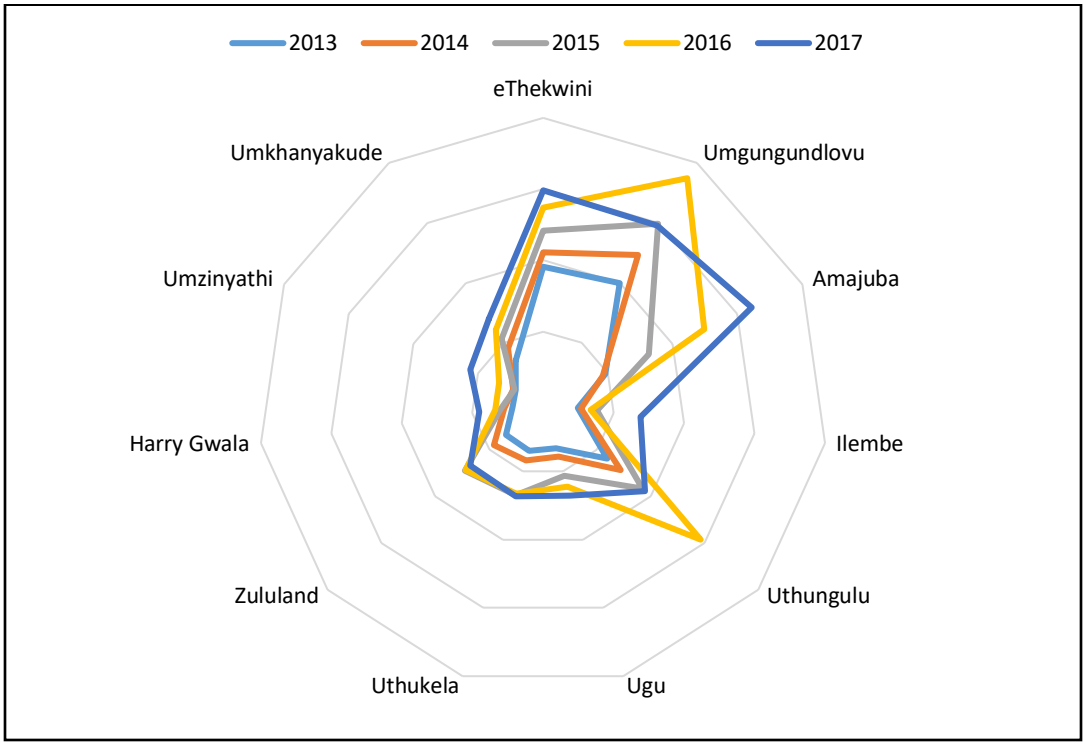


Figure 8-6: District deprived-per-capita DSD social welfare expenditure on contracted NPOs



Finally, representing the data from which figure 8-6 is generated, as a table of government's annual social welfare spend on each deprived citizen (recalling that this is a function of the StatsSA poverty headcount proportion) illustrates the asininity masked by data aggregation in annual reporting of disbursements to NPOs. Table 8-5 demonstrates the annual spend per deprived person in each district, for the time-series period. The data is recorded by district by order of magnitude of deprivation. The StatsSA ordinal ranking is presented as comparator, to the ordinal ranking determined by the first research wave.

Table 8-5: Per-deprived-capita spending by the DSD, routed through contracted KZN NPOs

District	Deprivation ranking		Period				
	StatsSA (2016)	First wave (2012)	2012/13 2012	2013/14 2013	2014/15 2014	2015/16 2015	2016/17 2016
eThekwini	1	**1**	R955.01	R1,056.39	R1,206.47	R1,371.53	R1,491.41
uMgungundlovu	3	**2**	R996.28	R1,234.31	R1,494.24	R1,874.20	R1,480.41
Amajuba	2	**3**	R483.12	R459.30	R816.55	R1,244.45	R1,610.50
iLembe	5	**4**	R248.60	R269.21	R382.32	R337.18	R691.83
King Cetshwayo	4	**5**	R598.09	R720.85	R922.25	R1,466.39	R947.26
Ugu	8	**6**	R330.48	R394.51	R531.64	R614.35	R679.14
uThukela	6	**7**	R349.24	R421.21	R675.96	R666.59	R684.05
Zululand	7	**8**	R343.81	R455.75	R725.29	R718.93	R675.53
Harry Gwala	9	**9**	R218.25	R275.55	R298.17	R340.03	R450.17
uMzinyathi	10	**10**	R211.25	R229.63	R222.81	R337.24	R558.84
uMkhanyakude	11	**11**	R353.40	R452.04	R536.06	R610.18	R699.84

8.3.2 Interpreting the evidence

It seems to me discreditable, that the relative allocation of resources to eThekwini, for example, should consistently exceed by more than three-fold, the allocation to the NPOs providing welfare services to the deprived citizens of the Harry Gwala District Municipality. Familiar as I am with the characteristics of the Harry Gwala (formerly Sisonke) district, prioritising the palliation of lived deprivation in eThekwini over that experienced in Harry Gwala district is arguably more expedient than it is judicious. That this hegemonic pattern should persist in all of the districts beyond the metropole, calls into question the integrity of the process by which the DSD engineers its espoused social development machinery.

The erraticism of the state's investment in the NPO sector, government's sectoral partner in the palliation and remediation of social ill-being, is marked. If government's welfare programmes are likened to the product lines of a commercial enterprise's product portfolio, this variability would represent substantial cause for concern. The pattern that emerges when the data is fruitfully illustrated, reflects a capriciousness that does not manifest in market demand (and hence enterprise revenue) for private products.

The issue here is that social welfare (whether deemed social development by ideological definition, or embraced conventionally as social welfare) is a public good, procured in this case by the public sector. That civil society, in particular the component seductively persuaded by government to assume the encumbrance of state-regulation, must only silently demur government's whimsicality, is a bitter pill to swallow. That the target beneficiaries, prodigiously ideologically bound up in government's liberation hubris, must uncomplainingly absorb the ebb and flow of public service, borders on bio-political perfidy.

Notwithstanding, the patterns of disbursement to contracted NPOs in the eleven programme categories of welfare service provision, can be regressed on social ill-being. The reader is reminded that this takes the form of poverty headcount, computed as a quantitative measure by StatsSA as a multi-dimensional deprivation metric. Made available as comparative measure by StatsSA in 2016 with the institution's the 2016 Community Survey, it remains to evaluate, as explanation, the impact of state social welfare investment through direction of a substantial budget, to NPOs contracted for the purpose of service delivery.

8.4 EVALUATING WHETHER THE STATE'S ANNUAL SOCIAL DEVELOPMENT PROGRAMMATIC FUNDING ALLOCATION IN KZN EXPLAINS THE REDUCTION IN DISTRICT DEPRIVATION

Regression analysis serves as an elegant progression of the association testing by which data analysis proceeded in the first wave. This section documents the analysis by which the impact of government welfare services spending on regional ill-being was undertaken. The intention was to determine the extent to which annual spending by the KZN DSD adequately explains poverty head count reduction. Poverty head count represents the dependent variable, and the government's programmatic spending on diminishing deprivation represents the independent variable.

The functional form of the regression model was methodically derived, following an iterative process of addressing impediments to successful regression and to interpretation (see sub-section 6.7.1). The final form of the regression model is:

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon \qquad (5)$$

Where:

- → Y represents the quantum of individuals in each municipal district calculated to be deprived as a function of their multi-dimensional poverty
- → B_0X_0 represents the y-axis intercept
- → β_1X_1 represents the population parameter coefficient of government social development spending in each municipal district, for the five-year time series
- → ε represents unexplained variance.

The considerable annual disbursement to NPO contractors is anticipated - based on state assertion that this spending represents disbursements related to social development - to explain the reduction in poverty headcount, documented in section 8.2 supra. It is contended, however, that a substantial proportion of the reduction in deprivation depends on factors other than so-called social development spending. The outcome of the analysis is reported in sub-sections 8.4.1 and 8.4.2 and the evidence is interpreted in sub-section 8.4.3.

8.4.1 Confirming data linearity

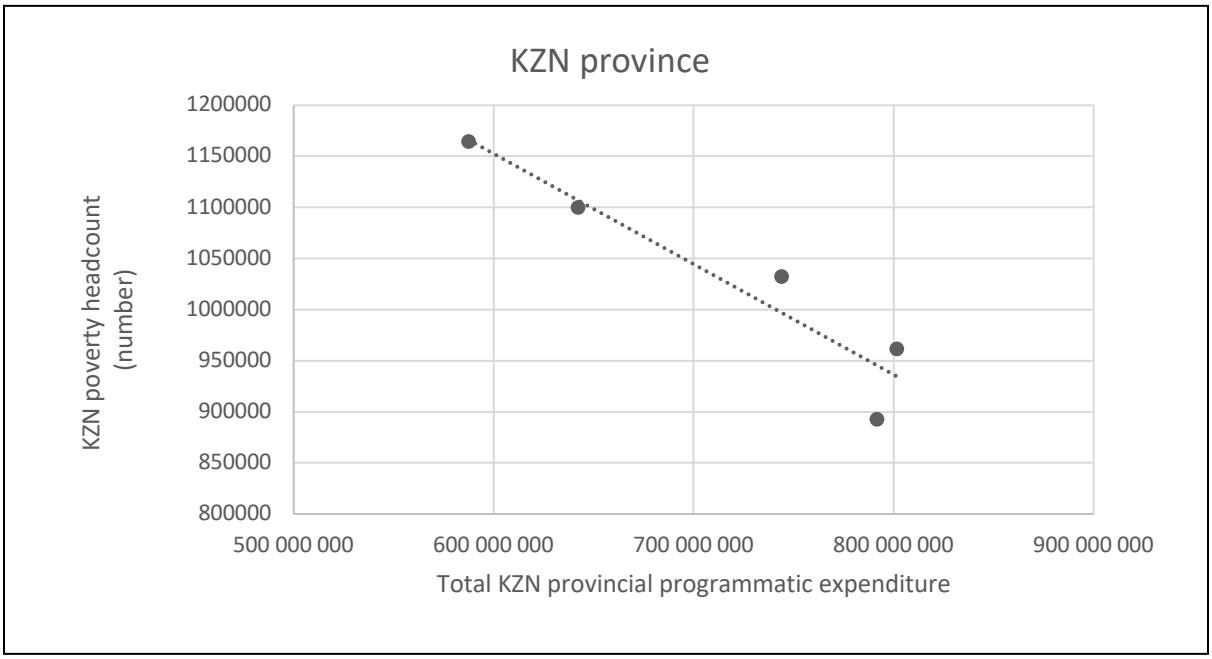
There being little reason to assume otherwise, the data was assumed for the purpose of selecting the research method as demonstrating a linear relationship. That is, the spending by government on NPO-executed government welfare provision, enjoys a linear relationship with the intensity of deprivation demonstrated by the KZN population, measured by absolute poverty headcount in each of the region's districts.

Figure 8-7, an XY plot of the KZN population data, illustrates a strong, inverse relationship between total KZN provincial programmatic expenditure and KZN absolute poverty headcount. No inference as to the impact of expenditure on poverty headcount can be inferred, but the suitability of ordinary least squares regression is established. There are insufficient response variable data points to comment usefully on any observations as outliers, but even so, no aberrant observations are noted.

All district municipal areas, the eThekwini Metropolitan Municipality excepted, demonstrate the anticipated inverse relationship between the explanatory government social development spending variable and the poverty headcount outcome variable. A scatterplot of social development spend and absolute poverty headcount in the eThekwini Metropolitan Municipality is depicted in figure 8-8. The scatterplots for each district municipal area are similarly drawn and condensed in figure 8-9. Again, no inference as to

the impact of expenditure on poverty headcount in any district can be inferred, but the suitability of ordinary least squares regression as analytical device is established.

Figure 8-7: Scatterplot of KZN provincial programmatic expenditure and absolute KZN poverty headcount



The eThekwini Metropole represents a distinctive case of the eleven districts, and no linear trend is easily discernible, unless one treats the 2017 observation as an outlier. The reasoning for this interpretation is discernible from the Metropole XY plot, presented in figure 8-8. The Metropole exhibits a substantial improvement in poverty headcount, of 42.4% (see table 8-2 supra) over the time series. There is no basis upon which to dispute the veracity of the poverty headcount reported by StatsSA, and the metropole is commonly understood as economic hub and drawcard, to be characterised by substantial population migration. However, consuming 26% of the funding in 2017, representing contracts with 17% of the NPOs funded in KZN in 2017, the 2017 correlate of funding with poverty headcount represents an outlier.

Figure 8.8: Scatterplot of social development spend and absolute poverty headcount in the eThekwini Metropolitan Municipality

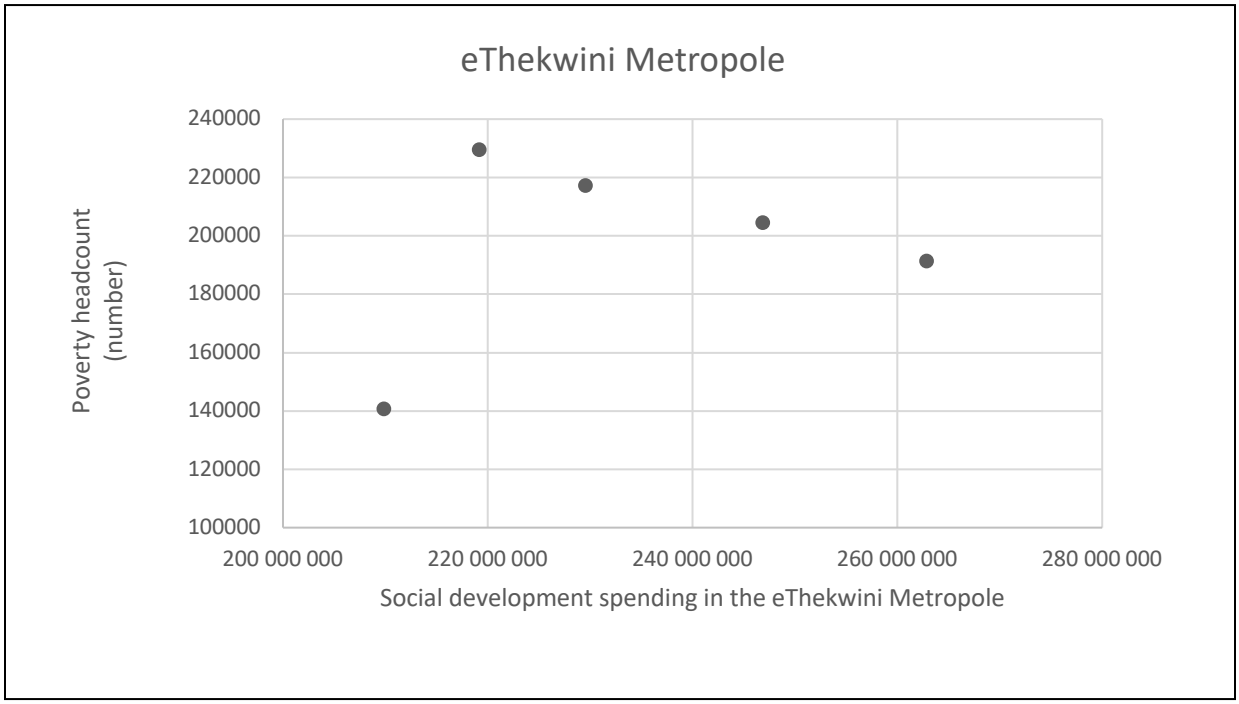


Figure 8.9 (i): Scatterplots of district social development spend and absolute poverty headcount

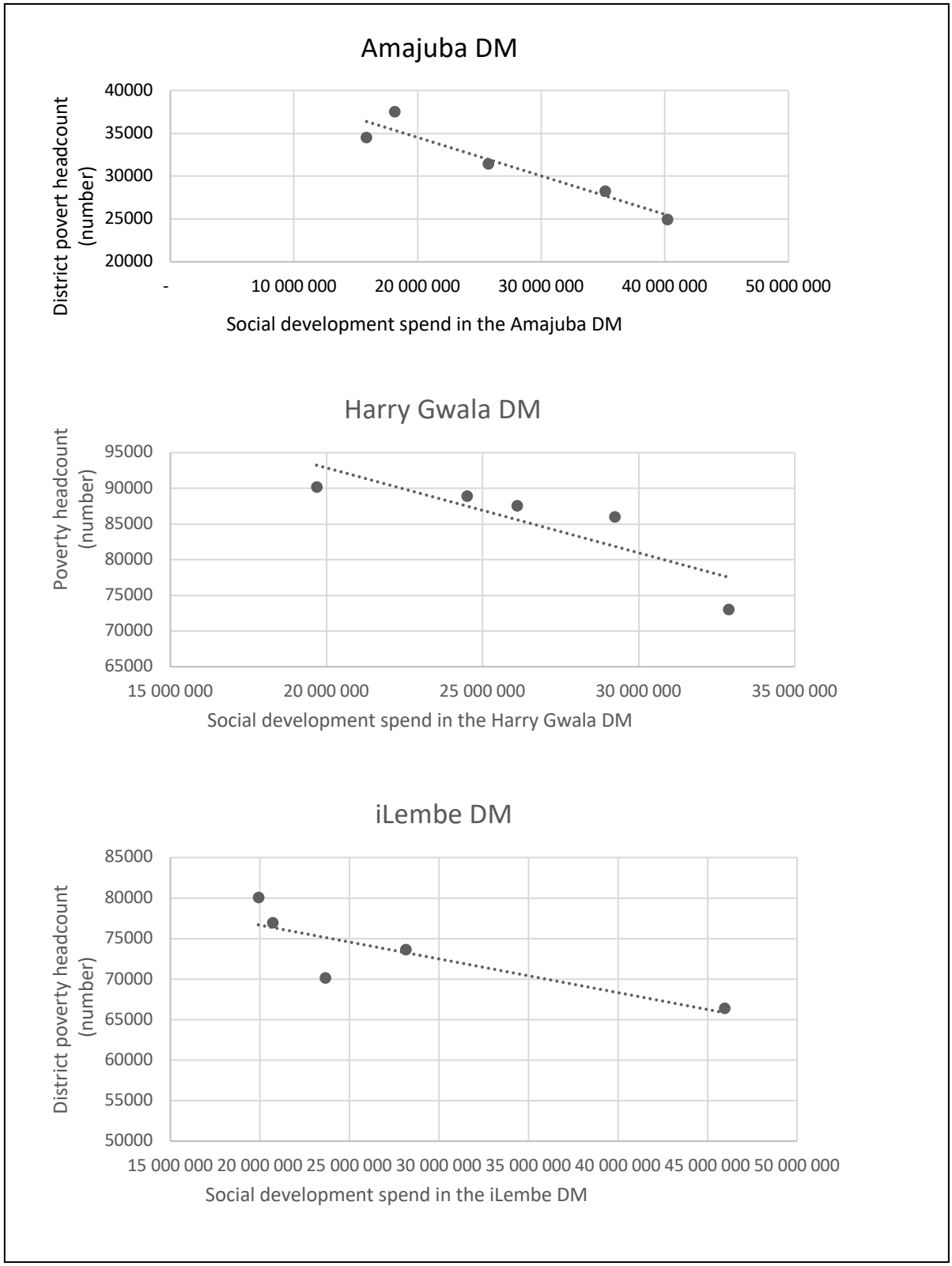


Figure 8.9 (ii): Scatterplots of district social development spend and absolute poverty headcount

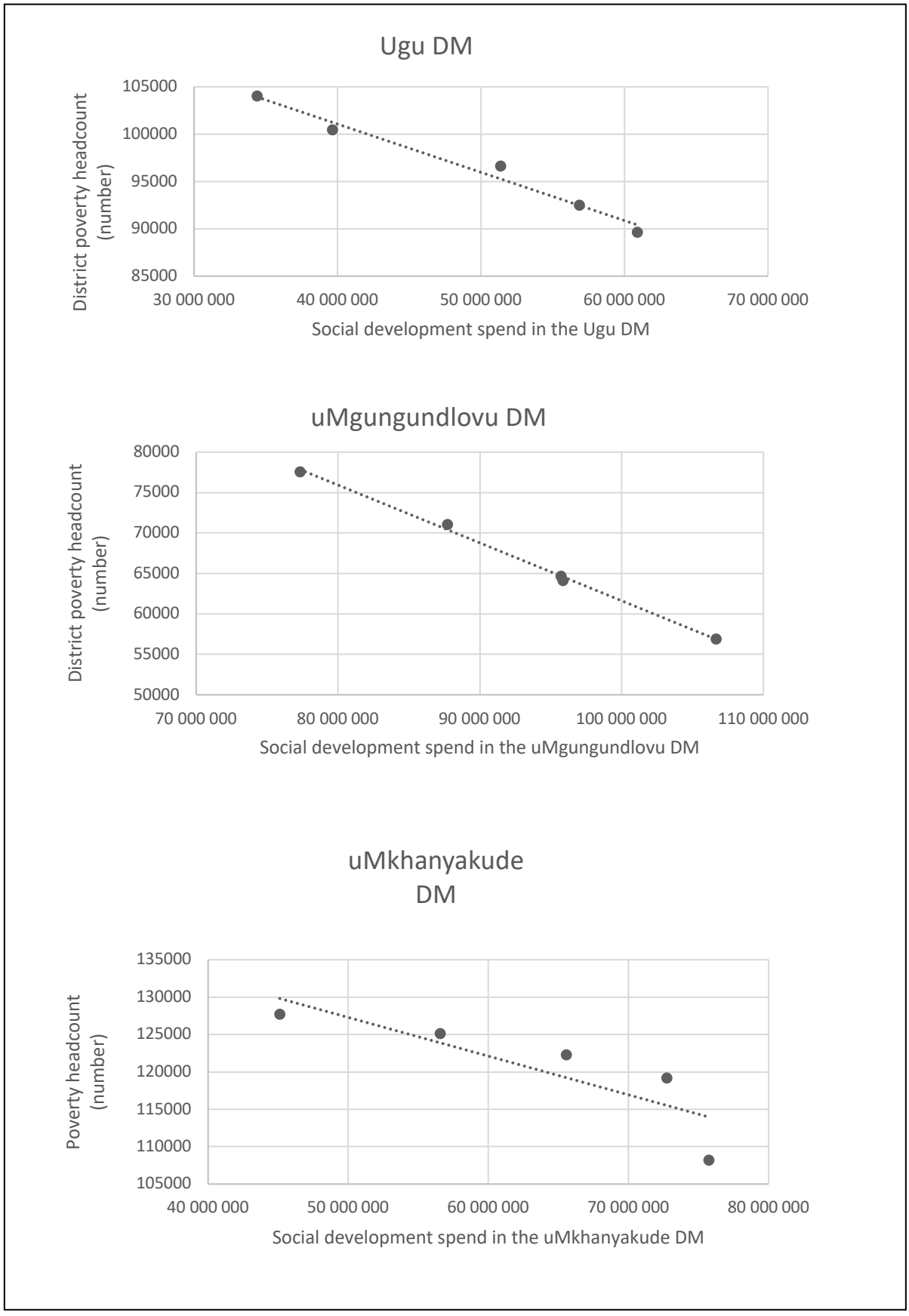


Figure 8.9 (iii): Scatterplots of district social development spend and absolute poverty headcount

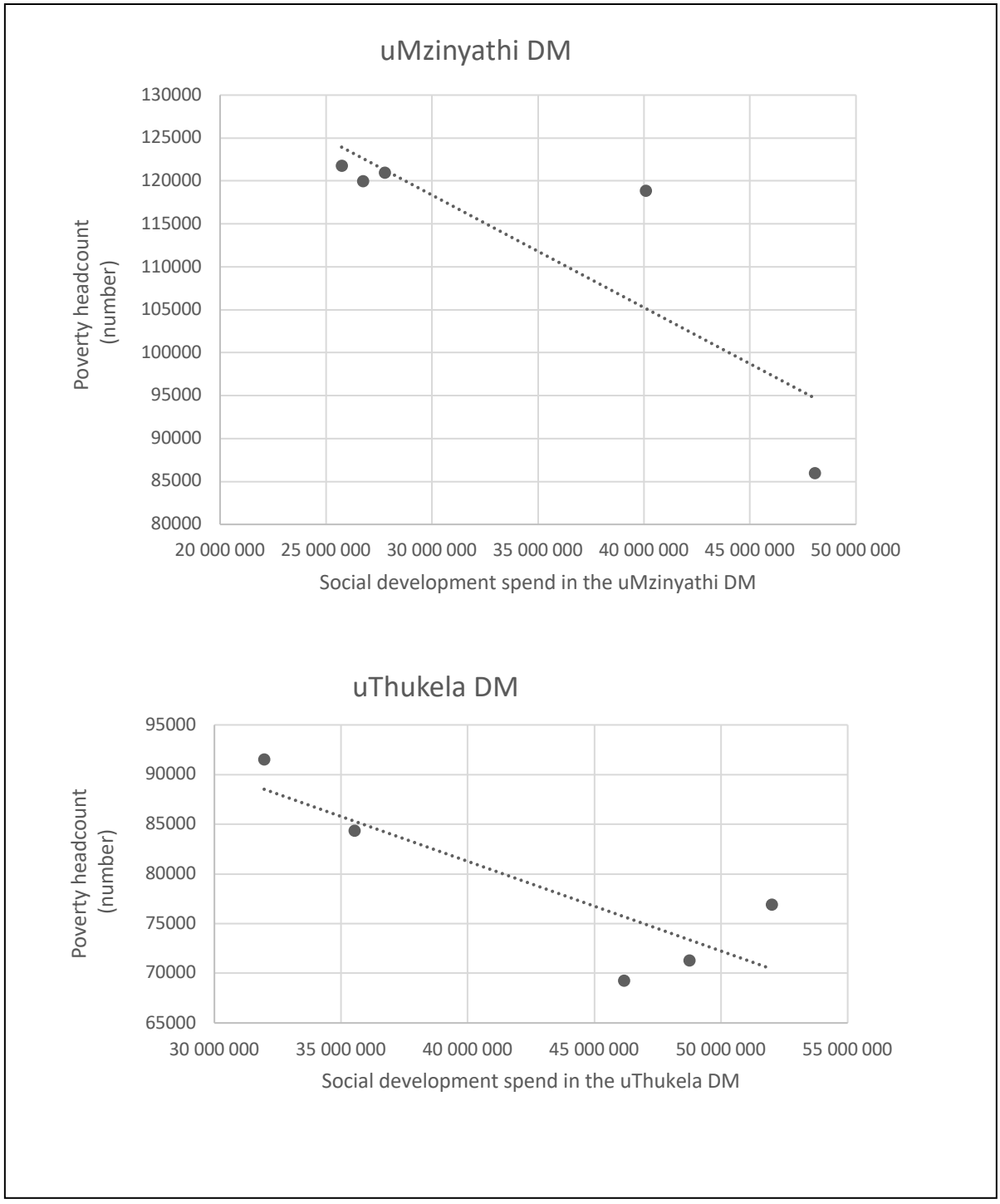
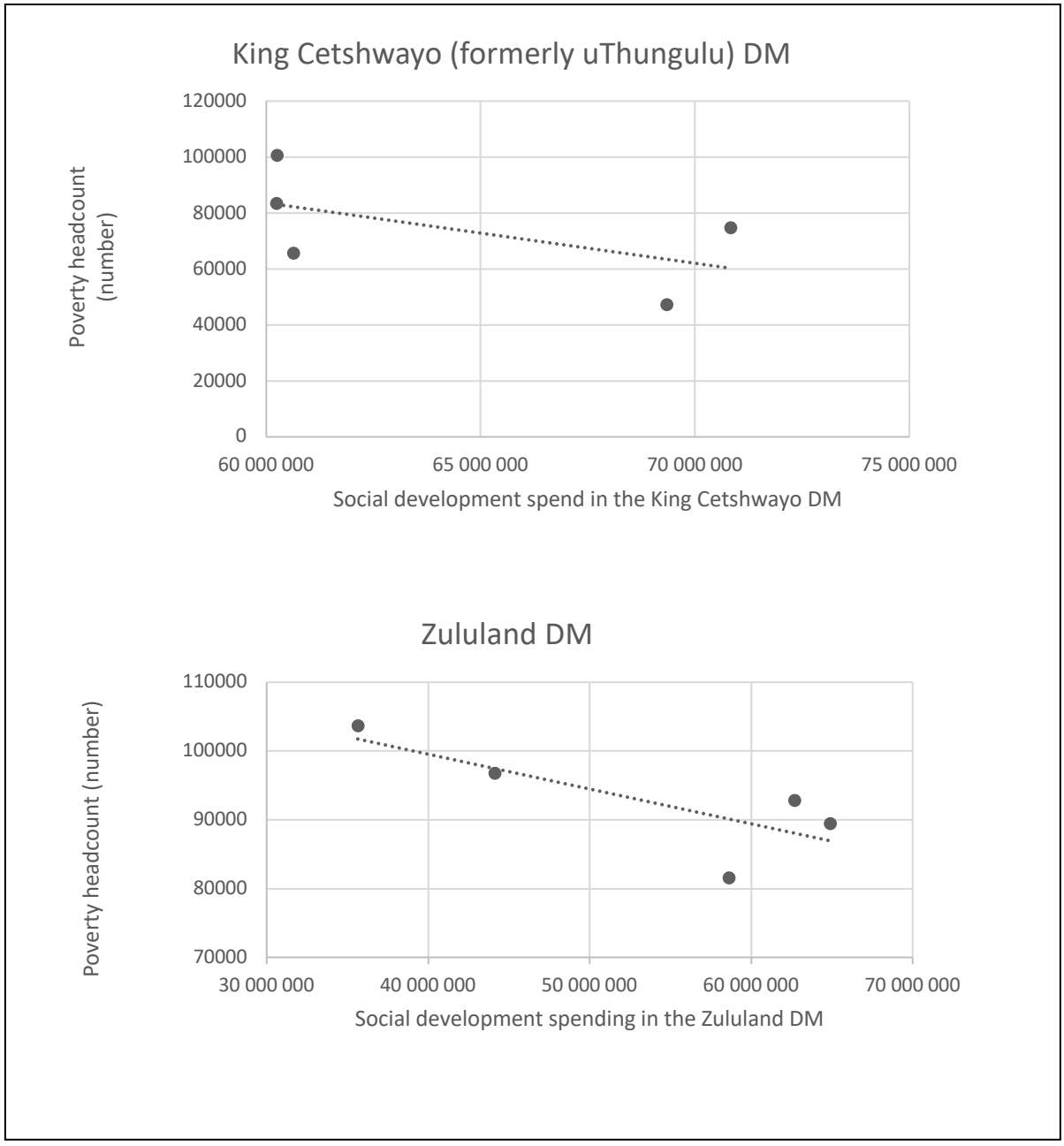


Figure 8.9 (iv): Scatterplots of district social development spend and absolute poverty headcount



8.4.2 Fitting the model

The outcome of fitting the regression for each of the eleven municipal districts, as well as for the province as a whole, is summarised in table 8-6. Although the model incorporates only one predictor term,[2] adjusted

[2] See chapter 6: multi-collinearity rendered the model unreliable when multiple predictors in the form of welfare programme categories were included.

R-squared is reported.[3] Three districts, specifically the eThekwini metropole and the King Cetshwayo (formerly uThungulu) and Zululand municipal districts, produce insignificant explanatory variable population parameter estimates for the time series and low adjusted R-squared goodness-of-fit statistics. However, 86% of the variability of the response data (adjusted R^2 = 0.8624) is explained by the model for the province as a whole, statistically significant at the 5% confidence level (P = 0.0145).

The interpretation that follows for each of the district regressions explains whether the welfare services spending that government channels to the deprived citizenry through contracted NPOs, catapults the target beneficiaries out of the quagmire of multi-dimensional deprivation. The goal is to interpret the district regressions to consider whether poverty headcount can reasonably be expected to reduce, for every unit of spending by the DSD on contracted welfare services provisioning. Here, the units of spending are multiples of R100 000. The reasonableness of our expectation is a function of the robustness of the β coefficient estimate. There is no hypothesis testing conducted, so no significance threshold applies. However, the P value (P > [t]) is reported as significant where, as the case may be, the conventional confidence levels of 0.1, 0.05 and 0.01 are exceeded, notwithstanding the 10% significance threshold selected for the analysis. The eleven regressions, run for each of the eleven district municipalities (including the eThekwini Metropole) are presented here in alphabetical order.

8.4.2.1 Amajuba DM

Ranked as the third least deprived district by the first wave of this research, the foundations of relative wellbeing of the Amajuba DM are relatively recent. While it may appear to a casual observer to be an economic backwater, economic development and urban settlement are traceable to the coal seams and water resources of the region, consequently representing the foundation of power generation seized upon by Eskom in the 1960s. The area enjoys numerous coalmines and straddles the N11 alternative route to Gauteng. The Ingagane Power Station commissioned in the late 1960s leveraged the spatial advantages afforded by the proximity of raw and processing materials. However, while coal remains exportable using the regional R34 road route to the Port of Richards Bay, as with any activity and the passage of time, the power generation facility's star was to wane. The power station was decommissioned in the early 1990s,

[3] Acknowledging a possible argument that adjusted R-squared is irrelevant (for there is only one predictor variable and hence little need to adjust R-squared to account for multiple predictor variables), I note that the adjusted R-squared statistic represents a more conservative estimate of residual variance and the variance of Y.

Table 8-6: Regression output

Regressions conducted by District Municipality (presented in alphabetical order)	**Y dependent variable axis intercepts** (rounded to whole numbers)	**β population parameter coefficient estimates**	**ε standard error**	**Significance of coefficient estimate P > [t]**	**Adjusted R^2 coefficient of determination**	**Significance of the coefficient of determination P > |F|**
Amajuba	43 509	-44.93309	8.139363	**	0.8805	0,0117 **
eThekwini	102 607	40.27905	90.525320	-	-0.2508	0.6865
Harry Gwala	116 686	-119.09420	41.967220	*	0.6381	0,0658 *
iLembe	84 981	-41.64373	16.500830	*	0.5731	0,0859 *
King Cetshwayo	212 909	-215.50830	175.531800	-	0.1126	0.3071
Ugu	121 464	-50.99300	4.502232	***	0.9695	0,0015 ***
uMgungundlovu	133 134	-71.50842	2.132739	***	0.9965	0,0001 ***
uMkhanyakude	153 176	-51.77622	18.234060	*	0.6384	0,0657 *
uMzinyathi	157 644	-130.97460	48.283770	*	0.6138	0,0730 *
uThukela	117 386	-90.29273	32.854690	*	0.621	0,0708 *
Zululand	119 784	-50.60752	23.327100	-	0.481	0.1185
KwaZulu-Natal	**1 801 840**	**-0.001082**	**0.0002119**	**	**0.8624**	**0,0145 **

denotes significance at the * 10% ** 5% *** 1% level

shortly before the transition of government administrations. The expectation that the plant would be recommissioned as required at some point in the future never materialised. As a direct consequence, the neighbouring town and township respectively of Newcastle and Madadeni, suffered a decline in Eskom-related supply chain activity.

The DSD has been shown to be generous in its attentions in this region, expending a rapidly increasing proportion if its budget on the Amajuba population over the time series, via contracted NPOs. This largesse currently exceeds all other districts, as a sum computed per deprived member of the population (see table 8-5). The relevance of this is questionable from the perspective of parity, given the relatively well-off starting position of this region's population. Notwithstanding that the poverty headcount is the lowest of the eleven districts (f = 24 972 deprived persons), the DSD has almost quadrupled its distribution per deprived person over the time series (from ~ R483 per deprived person to ~ R1 610 per deprived person).

However, the regression calculated for this region suggests that poverty can be expected to reduce by only ~ 45 persons (β = -44.93309) for every R100 000 the DSD disburses through contracted NPOs in the area. This calculated coefficient estimate is significant at the 0.05 level. Adjusted R-squared is similarly significant at the 0.05 level (adjusted R^2 = 0.8805, P = 0.0117).

8.4.2.2 eThekwini Metropole

At the outset, it is essential to point out that metropolitan Durban's economic infrastructure is not only the economic bedrock of the area's population, but that it serves to attract a migrant population for whom the prospect of subsistence, and for some perhaps even the allure of prosperity, is a drawcard.

Even so, the population of the province's economic powerhouse has remained relatively constant, increasing over the five year time series by only 6% to ~ 3.7 million inhabitants measured in 2016. With a poverty headcount of only 3.8%, this translates to approximately 140 000 impoverished inhabitants. It is likely then, as I have previously asserted, that the substantial sum disbursed by the DSD to palliating the impact of multi-dimensional deprivation on the region's poor is a matter of expedient convenience. The least deprived demarcation in the province, NPOs directed almost R1 500 per person to the deprived population proportion. It must be reasonably assumed that not all of the 140 000 impoverished received social welfare support, and that individuals not ordinarily established as multi-dimensionally poor were recipients of some form of care and support. That is the nature of welfare, where social workers must be assumed, at any rate, not to discriminate against better off individuals who demonstrate a need for welfare service. However, reckoned consistently with the remainder of the province, it is the case that welfare services can be regarded as having provided solace to the elderly, the disabled, children, families, victims of abuse and of addiction, and other sufferers of, in particular, social and economic marginalisation.

Regressing the time series data on poverty headcount calculates an increase in poverty headcount. Simply interpreted, for every R100 000 directed to welfare provisioning by contracted NPOs, poverty headcount increases by 40 persons. The population coefficient estimate is calculated as $\beta = 40.27905$ with poor goodness of fit: adjusted $R^2 = -0.2508$ and $P = 0.6865$.

The model is established as suitable for the remaining ten districts and the province generally. The conclusion must be drawn that factors far above and beyond the DSD's social welfare largesse, have realised the improvements in social ill being over the time series.

8.4.2.3 Harry Gwala DM

Formerly the Sisonke DM, prior to the commencement of the time series, this region is rural in nature and has long been the subject of a 'turf war' with respect to the drawing of the shared provincial boundaries of KZN and the Eastern Cape province. The district boundaries incorporate a substantial portion of what was once regulated as the Kwazulu Bantustan and is dominated by agriculture, accompanied by the related small-scale industry that accompanies this. It was evaluated as the third most deprived district demarcation by the first wave of this research and suffers a 14.3% poverty headcount. Together with uMzinyathi and uMkhanyakude, all three DMs have a very rural character and all are resource poor.

Significant at the 0.1 level, the population coefficient estimate of $\beta = -119.0942$ is regarded as a robust explanation with adjusted $R^2 = 0.6381$ and $P = 0.0658$. Simply interpreted, every R100 000 tranche of government social development welfare expenditure directed through contracted NPOs lifts 119 people out of poverty. Approximately R32.9 million was disbursed in Harry Gwala DM in the 2017 financial year. At a calculated rate of ~ R450 per deprived inhabitant, it is implausibly the case that government can redirect sufficient funding to this region to elevate the impoverished circumstance of the poverty headcount of ~73 000 persons.

8.4.2.4 iLembe DM

While a substantial portion of the land mass now demarcated as iLembe was formerly contained as the ostensibly self-governing Bantustan of Kwazulu, these boundaries excluded the coastal region, a predominantly corporate-interest sugar cane farming region. While one would therefore expect a rural-character poverty, the iLembe municipal demarcation borders the eThekwini Metropole, and enjoys the spin offs of spatial hub status, the injection of King Shaka International Airport and the associated economic development, anticipated to manifest as an aerotropolis. Identified by the first research wave as being the fourth least deprived KZN DM, the DSD has increased its benefaction via NPOs over the time series by a factor of 2.78, to ~ R692 per deprived person (see table 8-5).

Fitting the regression model for this district municipality delivers β = -41.64373, significant at the 0.1 level with adjusted R^2 = 0.5731 and P = 0.0859.

The straightforward interpretation, with explanatory power of the model assessed as significant, is that the poverty headcount reduces by ~ 40 persons, for every R100 000 channelled to the deprived population as NPO-provided welfare service beneficiation.

8.4.2.5 King Cetshwayo DM

Embracing the industrial node principally represented by Richards Bay (as established by the pre-1994 government), this region, formerly known as uThungulu, underwent a name change in 2016 and is now known as the King Cetshwayo DM. The industrial and commercial hub is represented by the administrative local authority of the City of uMhlathuze, and accommodates a university (the University of Zululand), the Richards Bay Port, and substantial heavy industry. These economic geography factors conceivably and plausibly explain the relative wellbeing of the area's population.

The first research wave measured the region as the fifth best off district municipality in the province. Enjoying ~ 9% of the DSD's NPO-directed welfare provisioning expenditure over the time series, regressing the time series expenditure panel data on poverty headcount generates a substantial coefficient estimate (β = -215.5083) but with little explanatory power (adjusted R^2 = 0.1126, P = 0.3071).

To the extent that there is no reliable explanatory power in this coefficient estimate, I salvage that the reduction in this region's poverty headcount is the consequence of factors beyond the efforts of DSD-funded NPOs.

8.4.2.6 Ugu DM

Economic development in this region of KZN follows the anticipated trajectory of a largely rural and undeveloped interior, given the former Kwazulu Bantustan footprint now absorbed by the Ugu district municipal demarcation. Economic infrastructure is largely contained to the coastal corridor bordering the Indian Ocean coastline. This corridor, enveloping the N2 national highway and this road's regional route predecessor, has enjoyed a historical level of seasonal tourism, and agricultural and related industrial sector activity. Agriculture, substantially incorporating the ubiquitous sugar cane farming typical of the coastal regions of the former Natal province, bypasses for the greater part the economic development of rural areas, beyond the immediate farming and agri-processing requirements of the crop. Evaluated by the first research wave as the sixth most deprived municipal region of KZN, poverty headcount is severe. The regression calculates a population coefficient estimate of β = -50.993, significant at the 0.01 level, with adjusted R^2 = 0.965 and P = 0.0015.

The straightforward interpretation is that 50 multi-dimensionally deprived persons are lifted from poverty, for every R100 000 channelled by the DSD to the target population. With significant explanatory power, this regression model represents a robust refutation of the economic feasibility of reversing the ill fortune of a poverty headcount of a calculated 121 464 persons.

8.4.2.7 uMgungundlovu DM

The seat of the provincial legislature is located in the city of Pietermaritzburg, situated in the administrative local authority of Msundusi. The city has always been an agricultural hub and industrial powerhouse, straddling as it does the vital N3 national road corridor with the provinces to KZN's north and African countries beyond the national border.

Ordinally ranked as the second least deprived district after eThekwini by the first research wave, with a poverty headcount reported in 2016 as 5.9 % of the population of ~1.1 million citizens, the regression calculates a population coefficient estimate of β = -71.50842, significant at the 0.01 level. The model is robust with significant explanatory power: adjusted R^2 = 0.9965 with P = 0.0001.

A confident interpretation is that ~70 persons are lifted beyond their impoverished circumstance for every R100 000 disbursed via contracted NPO's delivering welfare services. The scale of the spending required to rely on social developmental welfare delivering the deprived from their impoverished circumstance is fantastically inefficacious. With economic and employment opportunity arising from the economic infrastructure characterising the region and its capital city, social development and the accompanying reversal of ill-being is more plausibly a function of conventional economic development and associated wage favour.

8.4.2.8 uMkhanyakude DM

Largely neglected, in terms of spatial planning and principally an isolated component of the former Kwazulu Bantustan, uMkhanyakude straddles numerous marine, coastal and inland nature reserves. There has consequently been little opportunity for industrial and commercial development. Hence, there has existed for some years concerted effort to transform the natural resources to a tourist destination beyond the offerings of the provincial Ezemvelo Wildlife authority.

With a poverty headcount of 15.7% distinguishing ~ 108 000 members of the district's reported population of ~ 689 000 persons as impoverished, the contribution of any intervention, the DSD's social development ambitions certainly not excepted, would be welcomed by the deprived. Fitting the regression model demonstrates, however, that welfare provisioning makes a limited contribution to reversing ill-being. With

the population coefficient estimate calculated as β = -51.77622, significant at the level of 0.1, the model is demonstrably robust: adjusted R^2 = 0.6384 and P = 0.0657.

The terminal year of the time series, calendar year 2016, saw an award of R75.7 million to NPOs contracted to execute government's social development mandate. Notwithstanding, the poverty headcount of 15.7% calculates ~108 000 members of the district population to languish in poverty. Reducing poverty headcount at the rate of 51 persons for every R100 000 of redirected government revenue is a questionably ineffectual means of social development, especially in a region characterised by insubstantial economic geography, and hence limited prospect for durable substantive economic development.

8.4.2.9 uMzinyathi DM

Substantially enveloping a substantial proportion of the former Kwazulu Bantustan, uMzinyathi accordingly demonstrates the characteristics of neglected economic geography. There is no national road route. Agriculture has been a traditional employment cornerstone. This largely bypasses the interests of the bulk of the population. uMzinyathi was assessed by the first research wave as the second worst off district in the province. It suffers a substantial poverty headcount.

The regression model calculates a population parameter coefficient of β = -130.9746, significant at the 0.1 level. Adjusted R^2 = 0.6138 with P = 0.073. Absorbing ~ R48 million in the 2017 financial year, the area suffers a poverty headcount proportion of 15.5%, equivalent to ~ 86 000 inhabitants. Reducing this headcount by 130 deprived persons at an additional R100 000 cannot be reasonably concluded as a cost efficient or as effective.

8.4.2.10 uThukela DM

This region predominantly rural and enjoys limited infrastructure and economic base. The region has enjoyed little significance in the spatial development planning of either the pre- and post-1994 government administrations. Besides the N3 national road route, there is limited economic geographic potential and the poverty headcount proportion is measured by the state as 10.1%. The fifth most deprived district, a little over R48.7 million was directed by the DSD to the area in the 2017 financial year.

The regression model estimates β = -90.29273, significant at the 0.1 level. Adjusted R^2 = 0.621 with P = 0.0708. It is implausible that the state can afford additional R100 000 tranches to reduce poverty headcount by 90 persons, in view of the annual disbursements already directed to this region, and neither does it seem a feasible solution to addressing poverty in the region with government's interpretation of social development conducted by contracted NPOs.

8.4.2.11 Zululand DM

The fourth worst off municipal district as assessed by the first research wave, there is little economic geography to suggest the reversal of ill fortune favoured by resource endowment or strategic location. The seat of traditional power in the province, intimations made by a development Trust I helped establish in the mid-1990s, made very little progress beyond overtures and lunch with one of the Zulu King's queens. My more recent interaction with the DSD's Department of Agriculture representatives in the region on behalf of an aspirant youth cash-crop farmer, delivered only bureaucratic obfuscation and obstruction.

Consuming over the time series ~7.5% of the total government allocation for the five years, regressing this spending on poverty headcount delivers a coefficient estimate $\beta = -50.60752$, suggesting a reduction in poverty associated with this spending, but with adjusted $R^2 = 0.481$ and $P = 0.1185$.

To the extent that there is no reliable explanatory power in this coefficient estimate, I salvage that the reduction in this region's poverty headcount is the consequence of factors beyond the efforts of DSD-funded NPOs.

8.5 A QUALITATIVE EXAMINATION OF SOME OF THE PROCESS ELEMENTS OF THE STATE'S DSD SOCIAL DEVELOPMENT MACHINERY

Tracing a five-year pattern of government expenditure in respect of contractual co-option of the productive capacity of welfare NPOs in the province, demonstrates what may be regarded as:

- a substantial quantum of funding, reckoned annually and cumulatively;
- consistent aggregated annual disbursement, but marked inter-programme inconsistency in the delivery of government-contracted NPO-provided welfare services, reckoned by consistent and regular NPO contracting;
- little support for the contention that the state's direction of government-contracted NPO-provided welfare services impacts favourably upon social development, where social development is regarded as a material, self-determined but third-party enabled, climb out of poverty.

Nonetheless, a fundamental pivot upon which the second wave of research is predicated, is the extent to which the state's NPO-funding modality represents a cogent approach to advancing social development. To this end, the pattern of state funding of NPO-provided welfare services has been identified as inconsistent and occasionally arbitrary. Moreover, policy and practice should necessarily lean towards the principles and criteria identified in the review of literature as prerequisite for social development. These

include removing constraints to self-reliance, improving access to key productive resources, and facilitating the realisation of increased value of the productive outputs of the deprived. However, this represents a substantial body of particular investigation that diverges from the broad parameters determined by the current research. It is consequently recommended in the terminal report chapter as a distinct, yet clearly related and necessary trajectory of further research enquiry.

Notwithstanding, it remains imperative for the current research to isolate textual data affirming the assertion underpinning the second wave, that the prevailing state modality relies on an implausible machinery to achieve anything remotely approaching the normative ideals of social development.

8.5.1 Selection of documents for analysis

To the end of enabling a supported critical evaluation of the implausibility of the DSD social development machinery, the 'Kwazulu-Natal Department of Social Development Annual Performance Plan 2013/14 including Reviewed Strategic Plan 2012-2015' (hereinafter referred to as the DSD Plan) was selected for purposive analysis. This document incontrovertibly isolates and identifies both policy stance and specified practice contradiction, in a principally constitutive and pre-eminent representation of the tactical execution by provincial government of its social development ambition. More particularly and pertinently, it provides sufficient detail to distinguish the criteria by which the KZN DSD elects to evaluate progress against its objective ambitions.

What may be claimed as a limited scope of document analysis, and an apparent bias towards adverse commentary supporting the research contention is, however, a defensible action. The intention being to support, not rebut, the quantitative evidence. The research is, after all, steeped in its conceptualisation and execution, in realist pragmatism.

8.5.2 Document analysis and interpretation

The basic principles of monitoring and evaluation are commonly understood to encompass the selection of indicators most appropriate to determine progress made against strategic and tactical performance objectives, and behavioural objectives. While quantitative performance indicators easily measure numerical targets, qualitative indicators are understood to better measure behavioural performance. However, also understood, certainly by business practitioners, is that quantitative business performance indicators require qualification to be rendered suitably meaningful; unqualified numerical performance indicators, on the

other hand, are the credulous domain of the imprudent. It is within this purview that I have isolated the characteristics of the performance indicators that populate the state's conjunction of ambition and accomplishment, as articulated in its DSD Plan.

The DSD Plan specifies, *inter alia*, indicators "used to monitor the provincial performance, achievements or contributions made towards achieving Social Development Sector outcomes" (DSD, 2013b, p73). The benefit of explicit description "is to improve the quality of data produced to inform management on Social Sector performance" (DSD, 2013b, p73). However, I regard performance to be a function of effectiveness and not just output. It is evident in scrutiny of the DSD Plan that effectiveness – spelled out as qualification of quantitative indicators - was not envisaged by the DSD Plan authors and contributors. A selection of indicators is reproduced in table 8-7, together with the manifest shortcoming I interpret in the specification by these parties.

The process by which this analysis has proceeded commences with an extraction of the specified indicators, representing as they do a position on monitoring and evaluation. Each programme has, in the DSD Plan, been elaborated as a series of performance indicators, supported by a technical description in terms of general description, classification (all indicators are specified as criteria by which output is measured), and method of calculation. Responsibility for performance reporting is assigned; the primary responsibility for reporting falls to programme managers, and occasionally to social workers and probation officers where appropriate. Community development practitioners are regarded as a further assignee, in the case of the sustainable livelihoods programme, although it is unclear how this government technical descriptor document accommodates third sector practitioners in the reporting by government hierarchies of performance, achieved in the main through contracted NPO third parties.

The objective was to seek confirmatory evidence:

- of an overt and single-minded reliance on quantitative performance indicators,
- that are in no way adequately qualified to interpret pertinence or goal realisation/achievement,
- resulting in ineffective performance evaluation,
- that does not denote performance beyond the level of activity-aspirations fulfilment.

Table 8-7 demonstrates that only quantitative output indicators are devised, specified and therefore employed. These indicators do not interpret goal achievement, and rely on the presumption that quantity can be depended upon to represent effectiveness. Evaluation of performance is consequently limited to productivity, and evaluation of effectiveness is denied.

Table 8-7 (i): KZN DSD Social Sector activity performance indicators

	Programme activity	A selection of indicators	Observation, interpretation and commentary
Conventional welfare service activities	I. Substance abuse, prevention and rehabilitation	i. Number of drug prevention programmes implemented for children. ii. Number of drug prevention programmes implemented for youth (19-35). iii. Number of service users who completed in-patient and services at funded treatment centres.	Awareness, hence diminished drug use, is assumed to arise as a consequence of exposure to drug prevention programmes. The expressed performance desire is an increase in the number of drug prevention programmes implemented for children; the purpose is regarded to be improved awareness amongst youth; the importance is regarded to be the measurement of the number of users who have completed inpatient treatment. At no point, does any indicator relate service provision to effective output.
	II. Care and services to older persons	iv. Number of older persons accessing community-based care and support services. v. Number of older persons accessing funded treatment facilities. vi. Number of older persons accessing funded residential facilities.	Similarly, numbers of elderly accessing services is regarded to be a measure of improved well-being of older persons and a measure of the accessibility and utilisation of services. Where the number of older persons accessing funded residential facilities is measured, this indicator similarly responds to the desired output of improved well-being of older persons, but the purpose of the indicator is allegedly to "measure utilization of the residential facilities for older persons, for costing purposes and determination of the kind of programmes relevant for the residential facilities".[4]
	III. Crime prevention and support	vii. Number of children in conflict with the law assessed. viii. Number of children in conflict with the law awaiting trial in secure care centres. ix. Number of children in conflict with the law referred to diversion programmes.	These performance indicators are similarly devoid of qualification, emphasising assessment of the number of children in conflict with the law, towards the ultimate end of their placement in facilities. Ironically, the purpose and importance of the indicator is articulated as measuring the efficiency of probation services.
	IV. Child care and protection services	x. Number of children accessing registered ECD services	The purpose and importance of the programme and the performance measurement thereof, is articulated as one of access - because "access to ECD services provide early stimulation to young children which enables them to have the best start in life which is necessary for preparation for successful schooling".[5] While the normative value proposition of contracted ECD NPOs is encompassed by this statement, the value contribution of these contracted providers is less so. Without embarrassment, the desired program performance is only expressed as an increase in the number of children accessing ECD services. While satisfactory ECD is in principle incontestably beneficial to children, the reality is that performance of school-going children in the province is generally derided by early childhood education specialists. The utility of the DSD's ECD spend is questionable, in this light.

[4] (DSD, 2013b, p76).
[5] (DSD, 2013b, p82).

Table 8-7 (ii): KZN DSD Social Sector activity performance indicators

	Programme activity	A selection of indicators	Observation, interpretation and commentary
Developmental welfare activities	V. Youth development	xi. Number of youth development structures established. xii. Number of youth participating in National Youth Service Programme. xiii. Number of youth participating in youth mobilisation programmes. xiv. Number of youth participating in skills and entrepreneurship development programmes.	Unusually, women development does not feature in the DSD Plan's technical indicators, although the plan emphasises the role and importance of women in what government calls social development. However, the other two social development flag bearers feature strongly. Disappointingly, however, measuring the remediation of the substantial population segment of youth, where 76 contracts were struck with youth development NPOs over the time series, consuming almost R97 million, is attempted by no more than the sophistry of attendance registers.
	VI. Sustainable livelihoods	xv. Number of households profiled. xvi. Number of communities profiled.	The sustainable livelihoods programme resonates most compellingly with the notion of social development, where this is construed as actions directed at resource poverty, income poverty, and political exclusion (the qualities of social development interventions that may be considered to fulfil the intension of 'good' social development, see chapter 6) However, while the time series records 148 contracts struck with NPOs, absorbing just over R72 million, the solitary indicators specified in the March 2013 DSD Plan illustrate the relative neglect of the contribution of this component. While the innovation that this programme represents relative to conventional social welfare is demonstrably substantial, the erraticism of the state's contracting of NPOs (see table 8-3 and figure 8-3) both in this programme and the class of developmental welfare activity generally, do not suggest insightful programme planning, coordination and direction. That the R72 million should be expended over the time series on profiling of households and communities according to the fawning blandishment of "Improved service delivery and integrated approach to community development for poor communities",[6] defies description. That the annual sums could have been contemplated and approved, with the variability demonstrated, in the cause of "identification of community's [sic] stakeholders, assets, opportunities and resources required for promoting community development in order to employ the correct interventions that will enhance the livelihoods of the community",[7] beggars belief.

[6] (DSD, 2013b, p92).
[7] (DSD, 2013b, p92).

The aphorism “you’ve got to measure it, to manage it”, is generally attributed to Peter Drucker. To this general standard, is offered the corollary: “to manage it right, you have to measure it proper”. It is contended that the substance of the DSD’s performance indicators fall well short of adequate measurement. The process by which the indicators emerged is neither clear nor the investigative purview of this research. However, were the national DSD performance indicator phenomenon to demonstrate similar imprecision, this would not bode well for deriving optimal return on a national social development investment in remediating individuals and communities suffering the dearth of resources, income and practical suffrage that diminishes their self-worth and self-determination. An investigation of the national social development performance indicator phenomenon is recommended in chapter ten, the terminal chapter of this research report.

As it suits the requirement for affirming the assertion underpinning the second research wave, the limited yet necessary qualitative data analysis may be considered complete. Embedded in what is a principally quantitative enquiry, regarding a manifestly social phenomenon, the restricted descriptive evidence facilitates a more comprehensive thesis discussion in the terminal chapter. That thesis is that the prevailing state modality relies on an implausible machinery to achieve anything remotely approaching the normative ideals of social development. If this is not exposed, highlighted and criticised, then an unreasonable quantum by any rational measure of, to date, unrestrained state hubris, will continue to advance the lie that conventional welfare dressed up as social development is remedying social deprivation.

8.6 SUMMARY AND IMPLICATIONS

8.6.1 Summary of the findings in fact

Firstly, a quantitative data set of citizen ill-being was compiled by scraping data from the last census enumeration and the 2016 Community Survey (StatsSA, 2016). StatsSA have determined a multi-dimensional deprivation measure in the form of a poverty headcount. This measure is applied by the national agency to compute a threshold by which comparative deprivation analysis can be undertaken. Utilising the StatsSA poverty headcount metric in this, the second phase of research analysis, enables a consistent reckoning for the five-year time series. Linear interpolation provided data for intervening years, to provide a five-year deprivation count.

This panel data set illustrates improvement in poverty headcount across the province, and in all districts. The most substantial five-year improvement in poverty headcount arises in eThekwini (42.4%), the worst (19.4%) in Zululand.

While poverty headcount cannot convey the distress associated with resource, income, and opportunity deprivation, the parameters of this research are adequately served by a consistent and objective measure of the special relativity of the deprivation in the province over the time series period.

Secondly, a quantitative panel data set of government disbursements to NPOs for the five-year time series was compiled by scraping data from the annual reports of the KZN DSD for the five financial years ended March 2013 to March 2017 inclusive. The ~ 15 000 data records were assembled and transformed to enable descriptive and narrative depiction. This analysis demonstrates a distinction between what might be considered conventional or traditional social welfare, and what can be thought of as social development programmes, incorporating sustainable livelihoods, women development and youth development.

Distinguished from both these categories is childcare, principally early childhood development. This programmatic spending was distinguished because almost 73% of the 14 642 contracts struck over the five-year time series, were concluded with childcare NPOs. This utilised 59% of the total spending of ~ R3.57 billion over the time series.

While on the face of it, no evidence of manifest inconsistency is apparent, a substantial degree of erraticism in NPO funding emerges on acute analysis. The eThekwini Metropole for example, a large region and one suffering the highest absolute headcount of deprived people, enjoys the lion's share of the annual DSD disbursement. Calculating spending per deprived head of the population in all districts reveals district funding allocation out of keeping with deprivation ranking. One would ordinarily expect, anticipating the principles of distributed justice to steer allocation of resources equitably, that municipal district funding allocation would be in keeping with deprivation ranking. That is, the best off districts would receive proportionately less funding then the worst off districts, districts being funded according to their relative impoverishment. This in fact, is not the case, with the third best off district, Amajuba, receiving in excess of three and a half times the funding allocation per deprived person, than Harry Gwala, the third worst off district. This begs the question of course, whether this surfeit of funding in Amajuba can be alleged to have given rise to the district differential in well-being?

Thirdly, the deprivation and state disbursement data for each of the eleven provincial districts, and the province taken as a whole, was fitted to the regression model iteratively devised as an exercise in regressing state spending by municipal district on the level of deprivation in these districts. This was undertaken to the end of determining whether the state's annual social welfare categorical funding allocation in KZN significantly predict a reduction in the regional intensity of the province's deprivation. The question arising from the distinction in state largesse displayed towards the Harry Gwala and Amajuba districts respectively, is conclusively answered, by turning to the regression analyses.

It must be emphasised that regression analysis was used as an explanatory rather than predictive inferential tool. If the coefficient of determination of the explanatory variable upon the outcome variable is insubstantial, and robustly so, it entitles the conclusion that what is routinely referred to as social development facilitation, has limited impact on the deprivation levels evidenced in analysis of the provincial population.

Fitting the model for eleven districts, including the Metropole, and the province as a whole, generates a coefficient of determination for the province, for the purpose of this summary, of -0.001082. With 95% confidence ($p > [t]$) in this population parameter estimate, an adjusted R squared of 0.8624 (with $p = 0.0145$), the simple interpretation is that government's efforts, measured over the past five years, are estimated to elevate less than one person beyond the multi-dimensional poverty threshold for every R100 000 expended in the province as NPO disbursement.

The prospect of government's mechanism adequately providing performance feedback cannot escape criticism. In a limited qualitative enquiry component, embedded in this principally quantitative analysis, it is revealed that without exception, performance indicators prescribed by the KZN DSD for evaluating social development performance attained by contracted NPOs, measure only the most elementary expressions of output.

In summary, simply expressed, tracing a five-year pattern of KZN DSD expenditure in respect of contractual co-option of the productive capacity of welfare NPOs in the province, demonstrates what may be regarded as:

- a substantial quantum of funding, reckoned annually and cumulatively;
- consistent aggregated annual disbursement, but marked inter-programme inconsistency in the delivery of government-contracted NPO-provided welfare services, reckoned by consistent and regular NPO contracting;
- little support for the contention that the state's direction of government-contracted NPO-provided welfare services impacts favourably upon social development, where social development is regarded as a material, self-determined but third-party enabled, climb out of poverty.

8.6.2 Implications of the findings for conceptual conclusions

At the level of vision and strategy, ideological imperative manifesting as constitutional mandate impels state welfare policies and practices. These policies and practices are conceived as actions and interventions.

While the state reserves jurisdiction over some elements of the scope of welfare practice, particularly child welfare and therefore necessitated intervention by the courts, the bulk of welfare service provisioning is essentially contracted to the third sector. This is regarded as distinct from the privatisation of welfare. These civil society organisations do not compete, in the conventional sense for contracts and, furthermore, are engaged according to parameters specified by the state as not just minimum standards for performance, but as imposed boundaries for sectoral participation.

The rationale of this modality, is that state ambitions can be realised by contractually appointing select civil society representative organisations to pursue activities predetermined by the state as programmatic intervention. The mantra for this activity is one of social development, the conceptualisation of social welfare having been deemed by the post-1994 liberation government administration as limiting and inadequately aligned with its emancipatory objectives.

However, the operationalisation of this agenda, giving rise to the independent participation by independent NPO entities blindly contributing to the cause of provisioning a public good, may in the execution thereof represent as severe a myopia. If the provision by government of welfare service through the uncoordinated activity of a plethora of civil society organisations was to demonstrate little social development outcome, it would obligate the conclusion that social development welfare is perhaps a sham, perhaps a delusory government ambition, or perhaps just a lofty ambition inadequately engineered in its execution?

The goal of this research is to identify and isolate fact, both from fiction and from imprecise government communication, to enable a probationary hypothesis. That hypothesis relies on the thesis of this research, which is that social development is implausibly facilitated by the inherited palliative welfare schema and apparatus rejigged post-1994 as developmental welfare.

It is contended that this ambition is unattainable given the mechanism upon which government relies. This assertion is acknowledged as arising from interaction with the mechanisms of state contracted welfare provisioning. Hence it is simultaneously conceded that this is insufficient cause upon which to base so powerful an assertion, and hence it is construed as necessary to turn to population-level, evidence-based argument by generalisation, cause and sign, to support the claim.

The evidence must therefore illustrate the direct relationship between variables in the arrangement illustrated by the research conceptual map. The evidence must demonstrate a sufficiently proximate relationship between events, that the conjectural reasoning must be reasonably accepted as plausibly accurate, where it is claimed that one variable is proof of another. Should it prove possible to do so, the reconsideration by policy makers, welfare providers, benefactors and the academy, of the operationalisation of what is called social developmental welfare, is facilitated.

The form of the argument is founded in the abductive reasoning of Peirce:

> *A fact, endemic multi-dimensional deprivation, is observed,*
>
> *But, if a compromised and limited welfare system were true, this deprivation would be a matter of course;*
>
> *Hence, there is reason to suspect that a compromised and limited welfare system is true*.[8]

Chapter nine, the penultimate chapter, develops this reasoning together with the first and second phase evidence of chapters seven and eight, to argue the thesis that the state's welfare system is an implausible remedial panacea for social deprivation.

[8] Following the explication of Peirce's abductive reasoning related by Fann (1970, p8), the form of which is :

> *The surprising fact C is observed,*
> *But if A were true, C would be a matter of course;*
> *Hence, there is reason to suspect that A is true.*

CHAPTER 9

FROM EVIDENCE TO EXPLANATORY HYPOTHESIS AND THENCE TO THEORY: ADDUCING (REALIST) CONCLUSIONS FROM THE EVIDENCE

9.1 INTRODUCTION

In the tradition of pragmatic realism, the probationary hypothesis originating this research was inspired by hunch. On reflection, it was decades in the forming - the timeline more or less parallel to a new government administration making its mark on the nation, emphatically stamping an ideological imperative manifesting as constitutional mandate that was to both complexion and impact my professional development. I came to speculate - based on my experiences as a practitioner in the welfare sector - that my efforts, noble as they might have been, were ineffectual in the greater scheme of things.

Distancing myself from the sector, roughly at the commencement of the first phase of the research process, enabled a more measured reflection, and took form as the working hypothesis of the first phase: evaluating whether favourable welfare outcomes are constrained by an unfortunate geographic misalignment of welfare NPOs and the deprived. The evidence of this first phase, expressed in the conclusion to chapter seven of this report, identified no proximal relationship to speak of generally, between deprivation prevalence and NPO dispersion. Even so, adapting the enquiry as it proceeded established that the selection of NPOs contracted by government, specifically, are in fact in the thick of things. This obligates the interim conclusion that welfare NPOs' efforts are meritorious and offer a glimmer of hope for remedying the deprivation suffered by a substantial number of KZN's citizens.

Finding this counter-intuitive, I elected to extend the enquiry. The ensuing second wave of research hypothesised that the state's espoused social development outcomes are implausibly scaffolded on upbeat ambition and third-party contracting of service provision, in a policy-process framework that speaks inadequately to the foundations of social development. I set out to investigate this hypothesis with the second phase methodology explained in chapter six. Principally, this comprised the panel dataset regression of the KZN government's NPO contracting data for an available time series of five years commencing with the financial year 2012/13, on multidimensional deprivation prevalence in the province.

This analysis was detailed in the previous chapter. The objective of this chapter is to register my reasoning relative to the facts, in so doing promoting my hypothesis to a theory. The form of the chapter adheres to Peirce's form of abductive reasoning. Inferentially and syllogistically, the object is to record the facts as

they have been documented, at the level of population, in respect of multi-dimensional deprivation prevalence in KZN. This done, attention must turn to documenting the simultaneity of a compromised and limited welfare system. This enables the drawing of an inferential conclusion.

In addition, I set out to argue by generalisation, cause and sign, how deprivation would be a matter of course in the presence of a compromised and limited social developmental welfare system. This will adduce a sufficiency of argument to conclude that my discomfort as a practitioner was well founded, and that government's espoused social developmental welfare is a sop.

9.2 THE FACTS: ENDEMIC MULTIDIMENSIONAL DEPRIVATION

While the second phase of this enquiry has adopted the StatsSA poverty headcount measure as a deprivation metric, the distinction between this measure and the instrumentation developed in the first research phase are not so marked that one cannot serve as a satisfactory equivalent of the other. It is also the case that StatsSA is privy, by virtue of their compilation of the 2016 community survey, to raw data not readily available for this research. In the same vein as the multidimensional deprivation metric developed for the first phase, the StatSA poverty headcount compiles from a basket of social indicators, an aggregated measure of individual and household deprivation. Availed by StatsSA as a metric commencing and terminating the five-year time series, the data for the intermediate years was linearly interpolated.

The data reveals endemic multidimensional deprivation arising in all municipal demarcations. The phenomenon also reveals distinctive levels of deprivation prevalence. Having spent a lifetime resident in KZN, in multiple districts, and having had cause to work with local communities across the province, I can testify (anecdotally, at any rate), that this prevalence pattern bears a close relationship to the patterns of extractive industry, national road infrastructure and other elements of economic geography in the province.

One such element is the dearth of infrastructure resulting from the destructive, madcap, homeland dogma of the pre-1994 government. Although officially 'formed' only at the end of 1977, KZN had been a divided province for many decades prior to that. As one might reasonably anticipate, coalescing Zulu citizens into dormitories adjacent, but distinctly beyond, economic infrastructure and natural and mineral resources, gave rise to pockets of severe hardship. With strong parallels to the geography of this bizarre history, the eleven municipal demarcations, comprising the eThekwini Metropole and ten district municipalities, can be ranked from the least compromised district population (eThekwini) to the worst off district population (uMkhanyakude).

The poverty headcount can be expressed as StatsSA's preferred percentage proportion, or computed (using the province's population breakdown) as a 'frequency'. Poverty thresholds are eschewed by development practitioners as impossible cut offs. Nevertheless, the action of computing an absolute headcount or frequency of the impoverished facilitates both sensible narrative interpretation of changes in deprivation intensity, and the regression analysis reported in the previous chapter.

9.3 THE SIMULTANEITY: A DEARTH OF SOCIAL DEVELOPMENT WELFARE

Simultaneous to the data extraction that provided the KZN province's human population profile, the study in both phases sought to profile the human welfare sector NPOs operating in the province. In the second study phase, this was confined to documenting the population of NPOs contracted by the KZN DSD to undertake welfare provisioning on government's behalf, over the five-year time series.

Measured longitudinally over the time series, provincial government has steadily increased the volume of funds placed at the disposal of the DSD, to fund welfare activity undertaken by contracted NPOs. This serves to reinforce the impression emanating from the first phase evidence, that the welfare apparatus status quo is more reassuring than not. However, when this benefaction is examined closely, a marked variability in programmatic spending is evidenced. This variability illustrates an erraticism that, reasonably, must be interpreted as both operationally outlandish, and ineffectual. In addition, modelling the explanatory impact of government-funded, NPO-executed welfare service delivery on district deprivation intensity illustrates, with robust explanatory power, little impact on deprivation.

There is also an arguable implausibility incorporated in government's welfare mechanism, demonstrating as it does limited practical distinction from the welfare system inherited from the pre-1994 government administration. This, save for, as to be expected, an extension of welfare service provisioning to the entire province's needy population. A critical examination of the prevailing provincial social development strategic plan at the commencement of the time series reveals an elaborate, ambitious, ideologically driven goal of encouraging and cultivating social development. Regrettably, this is accompanied by remarkable opacity in respect of what I have referred to as the poster-children of developmental welfare: youth development, women development and sustainable livelihoods. The technical description of performance indicators encountered is incomplete. In the first instance, it does not specify performance indicators in all programme categories. Secondly, the performance indicators are never qualified, hence ultimately representing a baseless appreciation of performance evaluation.

The literature (see chapter four, especially figure 4-2 for rapid reference) regards impoverishment as a function of inadequate consumption. This impacts for the most impoverished, as "inadequate consumption, services, assets, security, dignity" (Remenyi, 2004, p205). Social development is, as established by the literature, policy and practice aligned to the principal facets of deprivation: resource poverty, income poverty and insufficient or inauthentic political suffrage. NPOs in KZN, contracted by government, palliate the consequences of these three poverties but do not remedy the cause. They have neither the requisite on-board skill sets, nor depth of resources required to sustain the intense effort, activity and resource drain that remediation necessitates.

9.4 ABDUCTIVE INFERENCE

9.4.1 Drawing the inference

The form of Peirce's abductive reasoning (Fann, 1970, p8) employs a predicate logic that holds:

> *The surprising fact C is observed,*
> *But if A were true, C would be a matter of course;*
> *Hence, there is reason to suspect that A is true.*

Having established the minor premise *'surprising fact C'*, being endemic multidimensional deprivation, as well as the major premise *'A, which if it were true, C would be a matter of course'*, being an implausible social developmentalism in a prodigiously paternalistic social welfare system, it is possible to draw the inferential conclusion, that *'there is reason to suspect that A is true'*.

9.4.2 The hypothesis supported

My quest to explain the apparent hopelessness of the situation to which the welfare endeavours of the NPO under my control were directed to contribute, will never be complete. However, the haplessness of the endeavour is cogently and coherently revealed. This research sought to support the working hypothesis that social development is implausibly facilitated by the inherited palliative welfare schema and apparatus rearranged post-1994 as social developmental welfare. I have combined a trove of evidence and predicate logic. I am able to adduce that unless the policy-process-practice modality that governs welfare is reconfigured to undertake targeted and holistically conceived developmental intervention, the mobilisation of taxpayer wealth towards palliation espoused as remediation, is a grave deception.

To the extent that the remaining eight provinces may conceivably demonstrate a unique phenomenon, distinct from that exposed as omnipresent in KZN, my theory may be considered tentative for the moment. However, a construct, content and criterion validity has been explained within a replicable and hence reliable frame of reference. Certitude is acknowledged as less than that which arises from natural science deductive inference. However, the critical insight afforded by probative inference arising from the ubiety of my scholar-practitioner evidence, is increased. Repeating the enquiry, adjusting appropriately for urban context in a province such as Gauteng, for example, will enable an elevation, I anticipate, of my position. Repeating the enquiry will also expose evidence of better practice, if it exists, and coalesce the findings. This will build traction for advancing legitimate social development policy, process and practice.

As Fann (1970), explaining Peirce, points out, ampliative enquiry prompts conception and theory generation. McLaughlin (2006, online) cites Alley, whom she regards as an eminent scientist:

> *In contrast to most dictionary definitions, I believe that theories necessarily involve narrative as well as explanation and prediction. So, you might define a theory as the overarching narrative or 'world view' that encompasses and makes sense of the observations and successful predictive tools in a field of study.*

From this perspective, I have created an overarching narrative. It remains to enlarge the agenda for conversation, and I expand on my conceptual conclusions in section 9.5.following.

9.5 DELIBERATING CONCEPTUAL CONCLUSIONS

The conceptual framing of this study, elaborated in the report introductory chapter, documented the research matter as an outcome of a planning-execution dimension. This was represented (for reference, see chapter one, figure 1-1) as cascaded distinction, taking the following form:

- Meta-level envisioning of the state's constitutional mandate fulfilment;
- enables conception of macro-level policies and practices appropriate to achieve the constitutional mandate;
- facilitating meso-level government operationalisation of welfare service delivery;
- giving rise to micro-level target beneficiary outcomes.

The hypothesis interrogates meso-level operationalisation modality by evaluating micro-level target beneficiary outcomes. The hypothesis is supported on the strength of the factual conclusions alone, in respect of both phases of data analysis. However, by returning to the cascaded planning-execution

dimension it is also possible to undertake conceptual inference. The discussion that follows represents a truncated, enthymemic reasoning. I count on the scholarly audience to whom this report is directed, to contribute the minor premises absent from my discussion but present in the scholars' knowledge commons.

9.5.1 The first disjuncture: ideological ambition and the production possibility frontier

The welfare mechanism inherited by the post-1994 government was conceived a century ago in the ashes of the first Great War. The literature demonstrates that the sentiment, conceptualisation and operationalisation of social welfarism are highly regarded. Imported into South Africa, however, the system's application was progressively impaired, until it came to represent little of the noble intentions that gave it life in post-war industrial Great Britain a century ago.

Re-conceiving social welfare, post-1994, required only that the intentions that spawned the system, should be more honourably respected. So it was to pass that social protection was extended to all South Africans, the state increasingly turning to civil society to fulfil its welfarist mandate. While the post-1994 government enjoyed a core component of skilled human capital, this core represented a very small percentage of the work force required to administer welfare provision on behalf of the far larger pool of South Africans now accommodated by a sensible definition of citizenship. Many civil society representatives, a throng of volunteers and amity, were steadily drawn closer to the administration. Harnessing this third party, third sector productive capacity, required a measure of control.

Control of the third sector was achieved by seducing NGOs with the prospect of economic patronage in exchange for placing the collective NPO neck on the state's block. Few organisations, for which viability so critically hinged on revenue streams beyond that of their customers, could resist the allure of striking a pact with the state. Statutory regulation of NGOs represented not only an olive branch (remembering that civil society had hitherto, at least in part, represented an anti-government faction), but also a categorisation by which an inventory of productive capacity could be determined. A Faustian pact, then? Not necessarily so, but it is at this point that I interpret **the first significant disjuncture.**

Social work and social development are not mutually exclusive, but neither are they good bedfellows. I see them as contrasting dimensions on a production possibility frontier. Social work is characterised by compassion, volunteerism, limited financial reward, and a sectoral precariarity. Furthermore, social workers are, in this country, condemned circumstantially to a palliation imperative. None of this makes for a fitting crucible for uninterrupted social development focus in a general context where successive national

economic development plans (RDP, GEAR, ASGISA, and GNP) have given way to their successors, the national hope being currently pinned to the NDP.

In this meso-level context, NGOs, unwittingly re-treaded as NPO state stooges, had no option but to practice their craft strictly in accordance with the parameters decreed by government. That these parameters may have contradicted the substance of the skills, history and organisational culture of these entities, mattered not. That these organisations may have had more experience, a better field-craft, if you will, mattered not. Also in the meso-context of provincially directed, DSD district-office supervised production-possibility determination, production-capacity procurement, and production-delivery supervision, the only thing that mattered was standardisation and consistency. If I had been asked, I would not have recommended anything else. Nonetheless, in the deterministic binary logic which characterises pseudo-democratic, post-liberation governments, this authoritarian rigidity does not inspire innovative welfare provision. How could it?

I do not rail against hope, or the principle of broad-brush strokes devised by politicians for improving the lot of the common person. However, I do protest grandiose pronouncements, demonstrably deficient in operation, for the devil is in the social development detail. It is neither unfair nor unreasonable to declare that the social development vectors of jobs and small enterprise development, for example, play second fiddle to social welfare. In the current 2019/20 year, "R481.6 million is allocated to the Small Enterprise Development Agency to expand the small business incubation programme" and "the allocation to this [the Job] Fund will rise over the next three years to R1.1 billion" (Mboweni, 2019, online). The more significant national DSD cash register, with SASSA as the till operator, will ring up in excess of R47 billion in social grant transfers every single month. This will require Treasury to load a national float in the 2019/20 year of R567 billion. Here in KZN, an economically compromised province with a substantially rural population, less than R3.5 billion was expended on welfare service delivery over the five-year time series. Of this, less than R53 million was steered towards the three closest approximates of social development: the youth development, women development and sustainable livelihoods programmes.

If provision of social welfare, and facilitation of social development, are to occur simultaneously then they represent contrasting dimensions of a production possibility frontier. Here in KZN the choice seems, based on the evidence, to be loaded in favour of social welfare provisioning. My contestation is that this is unsurprising, because the century-old social work profession is admirably proficient at welfare provision, but it out of its depth when called upon to facilitate social development. Where this call is sounded by government's grand planners, with only R53 million placed on the table in half a decade in a province demonstrating an anaemic economic geography with a poverty headcount approaching one million geographically dispersed souls, then it appears to me that government's ambition is an impossible one, defined far beyond the production possibility frontier.

9.5.2 The second disjuncture: an inhibited production capability frontier

This mismatch in supply and demand, represented by government's purse and the social development deficit of the province's population respectively, intones **the second significant disjuncture**. That social welfare, social developmental welfare, call it what you will, is noble and necessary goes without saying. The mechanism, however, strikes me as ill judged, imprudent, conceivably fallacious and worse still, insufficient. Insufficient, because it cannot rely on human welfare NPOs' evidenced human capital to realise lofty ambition.

Having recruited, selected, employed, counselled, mentored, advised, disciplined, and dismissed social workers for fifteen years, I think I am sufficiently qualified to pronounce on the prospect of social workers facilitating socio-economic development at the level of individuals and households, communities and regions. I have had the good fortune to meet holistically skilled and adept personnel, the pleasure of employing only a very few. I do not believe, as an aggregated group, that social workers are able to identify and coordinate access to key productive resources on behalf of deprived individuals, households and communities. Nor can they durably facilitate cash generating activity and/or increases in household productive output, provide wealth creation assistance and facilitate a reduction in under- and/or un-employment. They cannot in sufficient number identify systemic constraints to self-driven social development, nor effectively advocate and agitate for the dismantling of these impediments. Frankly, both the gravity and the enormity of the task lie beyond the skills envelope of the profession now, and foreseeably for some time into the future. I may be wrong in my estimation and concede that this did not form component of my already very expansive research enquiry. However, my observation is germane to predicting a likely high or low road future for the present mechanism impacting the social development backlog.

9.5.3 The third disjuncture: diktat and deception

Finally, I record a **third significant disjuncture**. Parallel to the greater substance of the DSD's national imperative, namely SASSA-executed vulnerable citizen social grant benefaction, the DSD can be expected, here in KZN, to continue on its merry but curious welfare way. This will encompass concluding contracts with NPOs, or perhaps not, all the while maintaining a tub-thumping refrain with an immune authoritarianism. Will this shape a turnaround in the fortunes of the deprived? The evidence predicts probable association, but there is unmistakably a suite of other factors that will lever the province's poor into improved well-being.

Let us take a moment to consider what the consequences of this could be. Clearly, the intended beneficiaries will derive some measure of comfort from the assignment and direction by government of NPO caregivers.

I do not believe that the target audience anticipate very much more than palliative succour. Far better that they do not, for if they were to hold the gun of social development expectancy to civil society's head, it would prove a sad day for the third sector. That component of civil society that has elected to commit to regulation by the state as primary eligibility criterion for selection and appointment as a government welfare-partner must inevitably, as I have previously pointed out, abandon intention and activity that lies beyond the scope of government mandate.

Contracted NPOs consequently represent a commandeered civil society, beholden in the first instance to the state that regulates them and thereafter to the citizens they purport to represent. Worse still, is the prospect that NPOs may be registering in droves in pursuit of the promise of government contracts and a better life for the NPO founders. There is merit in interrogating more deeply the factors that have impelled a doubling in registered NPOs since this research enquiry commenced.

The state's contracting endowments aside, it must be borne in mind that contracted NPOs are not wholly funded by government. The balance of operating expenditure required to sustain operations must be sought from other sources. Occasionally, other government departments and government regulated interventions; corporate sector benefaction, representing corporate social responsibility endowments; small business sector benefaction together with that of the public, representing compassionate endowments; the benefaction of civil society itself, taking the form of benevolent trusts and NGOs constituted to amass and direct funding to smaller NGO beneficiaries.

If I were to hazard an educated guess, benefaction attracted by the roughly 3 000 contracted NPOs in KZN represents a mobilisation of funds from non-government sources at least equal in extent to that of the state. If I am correct, this would represent an annual direction of pre- and post-tax corporate and individual earnings of comfortably in excess of R1.6bn per annum, disbursed by the KZN government and non-government welfare sponsors. If I were a betting man, I would lay odds that a trusting public has no idea of how this plays out, relying on persuasive oratory by both a paternalistic government and the NPOs (with collection tins in hand) to which they direct their patronage.

I do not think the rhetoric is necessarily insincere - but it is deceptive. The five-year time series comprehensively demonstrates an implausible modality-inspired social development. I cannot reconcile the speechmaking with the implied obligation to remain loyal to the paternalism. Especially so when the evidence suggests we have reached the point, perhaps long ago surpassed it, where less authoritarian, less deterministic, less binary logic, is required to craft a policy-process-practice framework rationally settled upon and subject to authentic evaluation and indicated modification.

9.6 SUMMARY AND IMPLICATIONS

This chapter embodies a two-part rationale. First, the abductive syllogistic isolation of the predicates required to infer that the unfortunate phenomenology of KZN's human deprivation is implausibly addressed by government's developmental social welfare modality. Second, whereas the previous chapter reported the evidence arising from second phase data analysis together with factual conclusions, this chapter embodies a distinct narrative discourse supporting the derivation of conceptual conclusions.

Where both factual and conceptual conclusions support and then extend the probationary hypothesis upon which the research is focused, the hypothesis is elevated to the level of theory. This concluding section to the penultimate chapter comprises summary of predicative inference drawn, conceptual conclusions deliberated, and the consequent implications policy, process and practice.

9.6.1 A summary of the abductive inference drawn

A five-year time series panel dataset was compiled of municipality demarcated poverty headcounts, together with financial disbursements to government-contracted welfare NPOs. The data has revealed endemic multidimensional deprivation arising in all municipal data demarcations, demonstrating distinct levels of deprivation prevalence. Regression analysis clarifies with robust explanatory power that government-funded, NPO-executed welfare service provisioning has little influence on the abatement of multidimensional deprivation.

Simultaneously, it has been argued that government's welfare mechanism represents an implausible modality. The system demonstrates little practical distinction from the welfare system inherited from the pre-1994 government, other than a substantial extension of welfare provision to citizens denied service by the previous administration. Social development is established as policy and practice aligned to the remediation of the principal facets of deprivation: resource poverty, income poverty and inauthentic political suffrage. KZN's NPOs contracted by government palliate the consequences of these three poverties but do not remedy the cause.

Employing the predicate logic of abductive reasoning, and having established the requisite minor and major premises as respectively observed and interpreted, the inferential conclusion is that government's developmental welfare modality is an implausible one.

9.6.2 A summary of conceptual conclusions adduced

Employing a truncated, enthymemic reasoning, discourse demonstrates by generalisation, cause and sign, that deprivation would be a matter of course in the presence of a compromised and limited social developmental welfare system. Three substantial disjunctures are noted. The first of these is the

ideologically fuelled production possibility frontier that government envisages as a polarised continuum of social welfare and social development. By standardising welfare service definition and delivery, government has enabled a hierarchy of national mandate, provincial direction of resources, and regional oversight of service delivery. However, service delivery is undertaken by what are effectively co-opted civil society organisations, contracted as NPOs. Government does not appear to enjoy the necessary resource capacity at provincial and regional level to adequately distinguish and thereafter satisfactorily direct, service delivery on the welfare-development continuum. It is implausible that it would, given the dramatic upturn in ideologically and constitutionally mandated welfare provisioning, requiring as this does a reliance on the contracting of third-party capacity.

In proclaiming that it is up to the task of remedying the shortcomings in social development, government is argued as making grandiose pronouncement, demonstrably deficient in operation. Extracting detail from the most recent budget announcement reveals that social development is for all practical intents and purposes, the monthly transfer of cash grants. Budget allocation for disbursement to NPOs pales in comparison to this sum. While the production possibility frontier theoretically represents the achievable outcome of a range of prioritised combinations of conventional welfare and developmental welfare, it is conjectured that government's ambition is an impossible one, defined far beyond the production possibility frontier.

Argued by generalisation, it is reasonable to assert that deprivation could be expected to manifest where insufficient resources were inadequately directed at remedying the underlying deficit in the province's social development. Argued by cause, is reasonable to claim that ideologically fuelled ambition has asserted unattainable social development goals. Argued by sign, this claim is reinforced by the paucity of funding allocated to social welfare provision generally and developmental welfare specifically.

The second disjuncture is that of an inhibited production capability frontier. Government's rationale of exploiting the capacity of co-opted civil society organisations is obligated by insufficient government capacity. No substantial contradiction can be raised against this rationale. However, aware as I am of the province's social worker skill set, I contradict the presumption that social workers are, as an aggregated group, able to address the three poverties of deficient social development: resource poverty, income poverty and insufficient political suffrage.

While I consider it reasonable to presume that an appropriate skill set could be inculcated and inured over time, this would require policy ambition, institutional buy-in, vocational habituation, and a period of evolution. If the necessary policy ambition does indeed exist, it has not adequately translated to institutional buy-in. In-service training represents introduction for social work graduates to only the most elementary

aspects of conventional welfare provisioning. There does not exist a cohort of seasoned developmental welfare professionals upon whom the sector could rely for the necessary generational trickle-down of skills and knowledge. When the requirements for advancing a production capability frontier are largely absent, it is imprudent to presume that government's assertive proclamation of social development alone, sufficiently establishes the necessary momentum to alter the social work sector's outlook.

Argued by cause, this disjuncture calls into question government's overly simplistic presumption that announcing social development as the panacea to a social development deficit arising from decades if not centuries of developmental neglect, is sufficient. The necessary co-requisite determination and establishment of a frame of reference by which the welfare sector's personnel might reasonably be expected to advance their skills sets, have not accompanied government's social development ambition.

The third disjuncture is that of the deception perpetrated by ideological diktat - while insufficient government capacity lends credence to the co-option of civil society, it is essential to note that government does not pay full ticket-price for contracted welfare service provisioning. Government disbursement to NPOs consequently represents subsidisation rather than compensation for the contracted NPO sector's costs of government-directed welfare service provision. NPOs rely on alternative revenue streams, arising in some instances as partial cost recovery from clientele (provision of accommodation for the elderly, is an example), but primarily from benevolent donor income. Government cannot claim any glory in short changing contractors, especially when contracted NPOs serve at the DSD's behest. To make matters worse, the public is not in any way apprised of the de facto model in which their benevolent endowments sustain service delivery mandated by government, and which government takes upon itself to direct as supreme yet defective authority over contracted NPO activity.

Simultaneously, government's orchestration of the means by which civil society actors are co-opted as contracted NPO state stooges, has facilitated a dramatic and unnerving escalation in the number of NPO Directorate-registered NPOs. Noting the relatively static number of NPOs contracted by the state, the escalation represents what cannot be gullibly assumed as an innocuous manifestation. Knowing that NPOs are registered by exceptionally straightforward process, recorded and monitored by an overwhelmed NPO Directorate, establishing organisational forms where founders and executives are not evaluated for delinquency and cannot be held liable for NPO dereliction, is cause for concern. Argued by sign, this largely unquestioned yet disturbing departure from the principles of rectitude and probity renders it reasonable to claim that the third disjuncture establishes not only implausibility, but also that government's ostensible social development machinery could have unwittingly taken shape as a charade.

9.6.3 Implications for policy, process and practice

A quarter of a century in the making, the current government administration's social development machinery (including the oversight role of the NPO Directorate) has habituated a swath of public servants and captured the heart of civil society. The dreadful irony of co-opted if not captured civil society actors perpetrating incivility should not escape critical intellectuals.

However, a great number of people derive their living from the perpetuation of bizarre practice evolved from a post-1994 primordial swamp of legacy, ideology, dogma, ineptocracy, and paternalistic oversight. A number of experts have earned plaudits for their contribution to the design of the skeletal structure upon which social development practice has been layered. An entire profession's reputation hinges on the maintenance of laudatory regard of others for social workers' selfless devotion to human service. It hardly seems likely that a critical rejection of the intension and hence the utility of government's social machinery will be warmly embraced by public servants, experts, and social workers.

The terrain contested by government, experts and the men and women who ply their trade at the interface of deprivation and hope, holds little interest for benefactors. Where consideration is given, it is, in the main, financial and fleeting. The remaining stakeholders in this arrangement, the beneficiaries, have little say in this state of affairs and their expectancy, if any, is not informed by very much beyond the discomfort of their disaffection.

I do not expect, then, to make swift or great inroads in prompting a reappraisal of policy, process or practice. Still, each of these three domains is instrumental, and all are found to be demonstratively suboptimal. This leaves me little option but to strive to swell the knowledge repository in an effort to induce the necessary momentum to change minds, behaviours, and hence outcomes.

9.6.3.1 Implications for policy

Policy, the national macro-level response to constitutional imploration, has not facilitated an enabling environment. Regulatory, yes - enabling, no. Ultimately, policy represents the means by which the exclusion of the deprived can be assuaged. We understand this exclusion to arise in a complex of misfortune: economic exclusion, resource poverty and a lack of authentic suffrage. If the three misfortunes are to be mitigated, policy must lead the way. If policy were to be regarded as having fashioned an enabling framework, microenterprises would not enter daily into combat with legislative barriers that maintain the competitive rectitude of a bygone era, inappropriate for forging self-sufficiency. Inherited and perpetuated structural impediments to large-scale competition are nefarious enough – to visit these conditions on a company of citizens excluded from the mainstream economy, is an injustice.

Resource poverty is known to be countered in some jurisdictions, by innovation and ingenuity. Policy represents the lever by which innovation and ingenuity, at the level of subsistent self-sufficiency, can be elevated to provide resource access and opportunity. I do not reject the conformity required in a formal economic setting; rather, the scenario I envisage elevates the prospect of success for microenterprise subsistence. While the micro-economy may represent a stain on the bourgeoisie fabric of wellbeing, sustaining the economic exclusion of the poor is a licentious depravity.

The poor do not enjoy any authentic suffrage. Expedient in respect of their quinquennial ballot, they represent neither substantial opportunity nor contribution to political traction in the intervening years. The Small Business Development Ministry and the Department of Small Business Development represent, in theory, opportunity to counteract this adverse state of affairs. While the record of accomplishment of this division of government has not manifested significant outcomes since its 2014 debut, assiduous and sincere utilisation of the opportunity could paint the third panel of the triptych.

9.6.3.2 Implications for process

The process of social development, as economic emancipation, requires careful and astute coaching and mentorship of the disadvantaged. Social workers have always, and I believe will continue, to represent the life preserver hurled to those who fall into the sea of exclusion. Social work practice is, in my experience, compromised by a dearth of contemporary pertinence in social work curricula. Languishing in the very first semester of study at the University of Kwazulu Natal, for example, a semester learning unit in developmental social welfare addresses developmental theory. The economics of business development, the value creation and delivery to which I have referred, is not addressed in the four-year curriculum of social workers. Rather, at level three in this particular programme, community work and community action is idealised, interpreting ideology and not applied development economics. I observe that from a process perspective, reconstituting the social work profession to encompass business studies as an exercise in enterprise creation is necessary to introduce a cohort of social workers more appropriately skilled for the pervasive reality of a crushingly deprived citizenry.

I propose that social work education incorporate developmental economics as a post graduate specialisation, facilitating the evolution of a cohort of suitably holistically trained professionals. While the existence of programmes and curricula devoted to community development praxis is acknowledged, a human rights and social justice compass directs these learning units. I propose rather, that specialist social work curricula encompass value creation and value delivery, as the interplay of business nous and creativity, in the ambit of responsible and sustainable profit orientation.

The contracting of NPOs - given the country's inhibited production capability frontier - is an immutable feature of social work provision. Government's selection of NPOs to contract for service delivery is unfortunately, however, not exemplary. Having participated in this process, at the invitation of government, I observe the process to be superficial and weighted towards box ticking conformance. If social development is to be undertaken by contracted NPOs, then an invitation should be extended to the development community by request for proposal. This falls within the ambit of government process and can be designed to mimic the processes by which the government departments responsible for infrastructure proceed from conception to execution in the establishment of infrastructure projects. Requests for proposal would establish a fair measure of competition (if exercised transparently and scrupulously) for resources and market access. Provided this is directed by appropriate skills at DSD level, and is committed beyond a year-to-year project plan, they exists realistic prospect of favourable outcomes.

9.6.3.3 Implications for practice

From a practice perspective, social development requires the development of both the capacity and agency of target beneficiaries. However, what we do not know is the prospect of fuelling agency and capability in a subjugated target population, victim of egregious baggage and unreasonable expectation. Pinning the nation's hope on the youth is both unfair to this group and an irrational plea with little evidence to support prospect of assured success. Success is not a binary contraindication to failure. If the inertia associated with economic and political exclusion, a veritable quicksand of self-doubt and self-deprecation, is not overcome then the energy (time, money, effort and resources) committed to extricating the deprived from dependency may well be in vain. Committing the energy will at the very least, of course, represent short-term palliation. This may well prove to be an acceptable alternative to inaction on the part of both the beneficiaries and the government charged by the constitution with remedying the plight of the poor. In other words, while remediation is not the assured outcome of the commitment of authentic social development time, money, effort and resources, rational and focused intervention at least directs resources with better odds of remedial success.

CHAPTER 10

CONCLUSION

10.1 INTRODUCTION

This chapter represents the close out of this report, and consequently can be expected to reveal as a summative presentation of the research. The chapter is presented in seven sections, including this one. The first section to follow, 10.2, presents a study overview. The overview reiterates the background of the research, documents the principal issues of the conceptual framing, and briefly records the principal methodological aspects that directed the formulation, as well as the commission of the two phases of the project.

Section 10.3 provides a synopsis of the study, summarising findings in fact, conceptual conclusions, and the ensuing implications for policy, process and practice, of social development as practiced in the regime established by the DSD. Section 10.4 admits limitations of the study. This is followed by section 10.5, recording the significance of the study, considered a contribution to the knowledge commons and in turn informing conjecture as to the most feasible means to broadcast the study and its findings to a relevant readership.

Section 10.6 makes recommendations for research avenues prompted by the apparent gaps that emerge in our intellectual appreciation of the modality of social development as practiced in South Africa. To this must be added the evident lack of understanding of the scope and import, perhaps even the gravity, of the exploitation of the NPO as organisational form. The report terminates with section 10.7, incorporating my concluding remarks.

10.2 STUDY OVERVIEW

10.2.1 Background, rationale and research objectives

South Africa's long walk to emancipation of its citizens is paved with the stirring refrain of the Freedom Charter adopted at the Congress of the People in Kliptown on 26 June 1955. This ideological context and appreciation is realised as the Bill of Rights and reveals as Chapter two of the Constitution. Section 27 of Chapter two of the Constitution addresses health care, food, water and social security, recording that "everyone has the right to have access to social security … the state must take reasonable legislative and

other measures, within its available resources to achieve the progressive realisation [of this right]" (Constitution, 1996, p1255).

The generally acknowledged substantial shortfall in this realisation has seen successive national macro-economic policy positions underscore elevated welfare provision. The social welfare policy inherited from the pre-1994 government was revised in scope if not entirely in form, post-1994 to emerge as a policy position of so-called social development. This social development stance has sought to address vulnerability, pursuing the goal of reduced citizen dependence upon benefaction. In practice, vulnerable citizens have not to any degree of substance enjoyed a return to, or access to, the benefits of full citizenship, represented by unimpeded opportunity to participate in social, political and economic life. Instead, the social development stance has been mired in the required and ideologically driven expediency of affording an income in the form of government grant to vulnerable citizens. By all accounts, it can be deduced that since the dawn of 1994 democracy about thirty percent of the national population are nominally liberated from the abyss of poverty by monthly cash transfers.

Mandated by the Constitution, government is tasked with giving effect to the provisions of the Constitution and thus determines policy objectives that are devised to fulfil constitutional imperatives. In the context of social security, the government serves as a conduit: it transfers, through tax collection and redistribution, a portion of the wealth of those who enjoy access, assets, and income, to those who do not. Transfer is effected operationally through the provision of free or low cost services such as water and electricity; the erection of dwellings for poor citizens with little prospect of ever affording the acquisition of a home; and the payment of grants as noted in the previous paragraph, intended to lower the cost of living for disadvantaged and vulnerable citizens.

Social security can therefore be understood as provision of access, assets and income to the disadvantaged. However, this appraisal does not embrace the comprehensiveness of social welfare provisioning. A complete view must account for the interactive and infrastructural services emplaced to restore dignity to the lives of the deprived: the citizens, who cannot, even where the will exists, enjoy full participation in community, political and economic life. These marginalised citizens include those suffering a poverty of education and of health; the list can be expanded to include victims of spousal abuse, deprived children and youth, substance-addicted individuals, dysfunctional families, and the elderly.

In this steady struggle, government has leveraged the capacity represented by civil society organisations. Civil society is engaged in a contractual relationship, enticed to request subsidisation of the operating costs incurred in welfare service provision coinciding with the programmatic areas of social assistance prioritised by government. Considered to represent a substantial proportion of government social development budget,

disbursements to qualifying civil society organisations represents government provision of welfare by proxy, parallel to the operations of government social development offices and personnel.

Government's collaborative welfare intervention is achieved with a specific class of civil society: NPOs. Government provides a policy framework for the registration and regulation of the NPO sector, and then contracts the input of the sector - where the necessary conditions for such a relationship exist - to deliver public sector services on its behalf. However, there is no deliberate government intervention to promote the establishment or spatial distribution of NPOs to optimise NPO-led public service delivery. This reactive resource allocation could give rise to flawed assignment of public sector welfare service capacity provision and government-led NPO capacity building.

It is this enigma that initially prompted this study; does government co-option of civil society occur where human disadvantage is greatest, or is the allocation achieved based on eligible and available civil society organisations requesting assistance? If resource allocation is coincidentally allocated where disadvantage is greatest, then this is serendipitous. If civil society actors are by unhappy accident not clustered in areas of greatest social need, then this research enquiry points the way to a tactically shrewder allocation and disbursement of DSD funds to better achieve government's social goals.

This dilemma constituted the first cross-sectional phase of this research enquiry, the second longitudinal phase propelled by the interim findings of the first phase. The second phase of enquiry sought to interrogate more extensively, the assignment of service provision using contracted NPOs. Utilising data availability limited to a five-year period, the second wave of research explored the outcomes of government's social development modality.

The study was confined to the province of KZN, enabling population-level analysis in a province representing the second largest concentration of citizens in the country. The study endeavoured firstly, to establish the extent to which a relationship exists between the diffused socio-economic deprivation manifesting in the province's eleven municipal districts, and the provincial dispersion of registered welfare NPOs. No reasonable basis existed upon which to hypothesize a directional relationship between NPO distribution and socio-economic circumstance and no theoretical foundation exists to support a directional relationship. Hypothesising that a relationship exists between regional dispersion of NPOs and socio-economic disadvantage in the eleven KZN provincial districts, the first wave of analysis evaluated the nature of the relationship between these two variables. The relationship was construed as a function of the correlational direction and significance.

The following research objectives were devised for the first phase of enquiry, confined to a cross section of data retrieved for and in the year ended March 2013.

i. Evaluation of the scope and quantum of KZN welfare-sector NPO activity, based on international classification of NPOs.
ii. Isolation and identification of the geographic distribution of welfare-sector NPOs in the eleven municipal districts of KZN.
iii. Isolation and identification of discernible socio-economic characteristics of each of the eleven KZN municipal districts.
iv. Determination of the pattern of association, if any, between KZN municipal district socio-economic characteristics and welfare-sector NPO distribution in the province.

The outcome of the fifth and final analytical iteration of the fourth research objective inspired a deep-dive of the funding data in respect of government contracting of NPOs in KZN, for a five-year period commencing with the year ended March 2013. This second phase longitudinal enquiry established a population-level panel data set of government NPO contracting disbursements, together with multidimensional deprivation data in the form of government's poverty headcount data. The explanatory hypothesis directing this phase of research speculated that the prospect of the state model of contracting select civil society organisations to undertake the state's mandate of developmental welfare was implausibly efficacious. The following research objectives were devised for the second phase of enquiry:

i. Assessment of the change in KZN's regional deprivation intensity over five years measured from the base year of 2012/13.
ii. Establishment of the quantum and categorical allocation of funding by the state in KZN measured from the base year of 2012/13.
iii. Evaluation of the extent to which the state's annual social development programmatic funding allocation in KZN explains the reduction in district deprivation over the period of analysis.
iv. Qualitative evaluation of select elements of the social development modality.

10.2.2 Conceptual framing

Accounting for the parameters of the research objectives as depicted in the previous sub-section, the conceptual scaffold for this study ranges across three frames of reference: civil society and the reasonably contemporary emergence of the NPO as civil society actor; social welfare policy; and socio-economic deprivation and the antecedents thereof.

The roots of civil society are interpreted to emanate from the defence of state citizens against state incivility. This can be considered to arise where the state demonstrates an intransigence or inability in ameliorating the ill-being of its citizens. The eponymous NGO arose as the civil society poster child of the latter half of the last century, giving civil society a universal form. Investigating the roots of the NGO form demonstrate that the United Nations recognised civil society in organisational form, enabling non-government representation in the first half of the last century at international meetings of governments. It is not necessary to represent citizens across international boundaries however, and the NGO moniker came to represent all associations of conscionable individuals seeking to give a voice to the disadvantaged, the misrepresented and the voiceless.

It is traced that the terminological usage of the NPO reference may date to the 1980s: James (1990) notes that the term NPO is used in the USA, perhaps too imprudently, to denote organisations that qualify for tax exemptions and for tax deductible donations. According to Vakil (1997), the apparent interchangeability of the terms NGO and NPO represent not only an inconsistency but also an inaccuracy, because tax status is not the only feature nor is it a unique characteristic. Salamon and Anheier (1992) define NPOs as demonstrating five distinguishing features: NPOs are formal, private, and non-profit distributing, self-governing and voluntary. The South African NPO Act (1997) specifies NPOs to be associations, or companies, or trusts that are established for public purpose and that do not distribute any profits to members or office bearers, excepting fair remunerative compensation.

The NPO Act makes provision for a Directorate, operationalised by the DSD, and registration with this Directorate is urged but is not compulsory. However, registration is obligated where NPOs seek financial assistance in any form from any division of government. All registered NPOs are issued a registration number, and the April 2012 DSD-issued register reflected some 85 000 registered NPOs. Government classifies these NPOs according to the ICNPO. This schema gives rise to a broad classification of major economic activity, as well as a subordinate classification of subgroups and a sub classification of activities. Classification is generally understood to enable targeted analysis at both national and international level and as it suits the thesis of this study, enables the extraction of NPOs demonstrating an objective purpose removed from human welfare provisioning. In addition, NPOs undertaking activity specifically related to government social development programme focus areas can be distinguished, for this enhances descriptive analysis of the NPO sector engaged in ameliorating ill-being of the KZN human population.

The Taylor Committee, a product of a 1999 DSD-convened inter-departmental task team identified a number of shortcomings in the South African social security system including “large numbers of South Africans” remaining “vulnerable to harsh poverty with limited means of advancement” (Taylor Committee,

2002, p9). The findings and recommendations of the Taylor Committee form the core of government policy response to this vulnerability. This has been to simultaneously provide relief, as well as develop a comprehensive social protection net. Social protection represents a wider definition of measures than social security and is best understood as proactive measures intended to facilitate labour market and economic and social inclusion strategies, aligned to the notion of *social development* as opposed to *social welfare*. Within this form, social protection is recorded as demonstrating five functions being protective, preventative, promotive, transformative and developmental, where the transformation function especially, encompasses addressing the inherent social conditions of poverty, inequality and deprivation (Taylor, 2012).

According to Taylor (2012), the near on 17 million grants distributed monthly reduce hunger and have a multiplier effect said to be double the benefit within poor communities of the grant monetary value. Grants represent only one of government's thrusts though; welfare provision is conceived as multiple programmes, of which social assistance categorical provision, undertaken by the DSD, forms the special interest of this study. Select welfare NPOs are contracted by government to render service. If successful (where their services align with DSD priority areas for provision), this amounts to subsidisation of their operating costs. Priority areas include combating substance abuse, provision of social welfare services to older people, social welfare services to people with disabilities, services aimed at strengthening families, programmes aimed at protecting, empowering, and supporting victims of crime and violence, programmes aimed at protecting vulnerable youth, social welfare services to children, programmes aimed at preventing and mitigating the impact of HIV and AIDS.

These priority areas for DSD intervention, whether directly, or indirectly through government-subsidised and NPO-provided service, suggest that deprivation is more than economic desert. A complete nomenclature must also convey a lack of social power, inadequate social participation and a lack of integration. Social exclusion is considered heterogeneous and multidimensional, affecting non-poor as well as poor people and communities. Since the 1970s, understanding of deprivation has encompassed both material insufficiency as well as social exclusion, recognising that these factors operate in tandem effecting a lived experience representing a deficit compared to the norm.

Many authors attempt giving a form to this multi-dimensionality; Bodewig and Sethi (2005) for example suggest that material deprivation is a function of education poverty, housing poverty, health poverty, a desert of housing conditions, lack of employment and, what the authors refer to as citizenship poverty. Ramos and Varela emphasise that a decline in social and economic participation, evidenced by unstable living conditions, limited or absent support from family and community and a decline in working habits,

ultimately gives rise to a state characterised by almost permanent inactivity, substantial "loss of working habits, self-care or motivation for inclusion" (2010, p7). Philip (2010) asserts that inequality induces involuntary exclusion. Barry (2002) points out that social exclusion sustains inequality, because social marginalisation will inevitably give rise to a disparity in educational and occupational opportunities. Suppression of opportunity reduces educational motivation, in turn reducing educational attainment and consequently containing limited occupational opportunities.

Measuring deprivation is key to the first phase of the study, and the methodology summarised in sub-sub-section 10.2.3.2 following, details in particular the construction of a suitable instrument for the first phase of the study.

10.2.3 Methodology

10.2.3.1 Study research philosophy

The philosophical underpinnings of this research study are a product of my worldview, a perspective resulting from my education (received and dispensed), employment, consulting mandates and a lifetime of teaching. Both teaching, and individual and community development, have encouraged a pragmatic realism that by combinatorial processes of experience and reasoning, complexions my orientation to research enquiry.

Ontologically, my acceptance of a universal metaphysical foundation giving rise to dependent beliefs negates endless and infinite regression to explanatory propositions. This is especially so in a digital era. Information science facilitates the interoperability of knowledge foundations, through the facilitation of access to an endless knowledge commons. I maintain that inquisitorial progress is made more usefully and rapidly, by embracing epistemological foundationalism. What I hold is justified true belief is the product of the rational foundations of my opinions, summed with my empirical observations and reasoned distillation of the theories and evidence already taken up into the knowledge commons.

Simultaneously, I concede the potential frailty of my opinions as a value-laden researcher, yet reason that my researcher values are fit-for-purpose, satisfying the criteria of sensitivity, responsibility, accountability, and non-partisanship. My reasoning contends that I demonstrate contextual appreciation and knowledge, hence enhancing the prospect of not only relevant, but also thorough enquiry. This means scouring out the necessary richness of detail that, especially with social phenomena, enables a level of perception that goes beyond that which is obvious to the casual observer, and the unskilled and/or uninformed researcher.

The research paradigm within which this enquiry is situated, is consequently not selected as suitable for this particular research but not another. Research enquiry is not conveniently binary, arising as positivist and quantitative, or interpretivist and qualitative. Very often, and especially so in a contemporary era that elevates relevant research, evaluating phenomena arising from sociality requires so-called mixed methods research. This does not represent premier intellectualism, per se. However, pragmatism as a century-old worldview represents a template by which positivist and interpretivist methodological practice can blend fulsomely and without contradiction, in an intellectual habitat. Pragmatism accommodates deductive, inductive and abductive inferential reasoning as appropriate to stimulate best-explanation hypotheses.

Accordingly, I regard myself as having evolved as a pragmatic realist. I do not reach out to a selection of paradigms, but simply specify that my conceptualisation, origination and execution of any enquiry is rooted in the rich tapestry of the pragmatic legacy of Dewey (1997 [1916]), Hartmann (1967), Hart (1971), and more recently Kloppenberg (1996), Heelan and Schulkin (1998), and others. This enquiry consequently follows the clause-relational pattern of Braidwood and Sallinen (2010):

Situation → Evaluation and Interpretation.

This is in essence the foundation of abductive inferential reasoning, summarised here by Fann (1970, p8):

The surprising fact C is observed,

But if A were true, C would be a matter of course;

Hence, there is reason to suspect that A is true.

The minor premise, *'surprising fact C'*, is the endemic multidimensional deprivation observed and acknowledged. The goal of the methodology of the two phases of research summarised in the following sub-sub-sections, is to document with sufficient explanatory power, the major premise A. For this study, A is construed as an implausible social developmentalism in a prodigiously paternalistic social welfare system. If this were shown to be a justified true belief, by findings in fact (see 10.3.1) and conceptual findings rooted in argument by generalisation, cause and sign (see 10.3.2), then it is possible to draw the inferential conclusion, that *'there is reason to suspect that A is true'*.

10.2.3.2 First phase methodology

Central to the first wave of analysis, conceived originally as a self-sufficient and complete enquiry, is the measurement and reporting of multi-dimensional deprivation. There exists no universal set of deprivation metrics, although dimensions such as hunger, poor health and physical hardship, persistent deprivation,

hopelessness and helplessness, an inability to accumulate assets, a lack of assets, vulnerability to crisis, insecure livelihoods, crime, violence, and police harassment, are agreed to characterise deprivation (Bodewig and Sethi, 2005). The South African government's National Development Indicators include unemployment rates, health, food security and nutrition, social cohesion and social capital, human resource development and housing. The United Nations Development Program Multidimensional Poverty Index is a "composite index that combined national estimates of deprivations in health, education and standard of living into a single number" (Kovačević, 2015, online). Ten equally weighted indicators make up the Multidimensional Poverty Index, across three dimensions being health, education and living standards.

Similarly, the SAIMD exploits four dimensions and eleven indicators of deprived circumstance. The Centre for the Analysis of South African Social Policy, University of Oxford, developed the SAIMD in conjunction with the HSRC and StatsSA. The instrument was first applied to 2001 population census data and the results published in 2006 (Noble et al., 2006). It has since been employed in distinct iterations (Wright et al., 2009; Noble et al., 2013; Noble et al., 2014), seeking to assess deprivation at municipal and national level. The measure is recorded as "a composite index reflecting four dimensions of deprivation experienced by people in South Africa: income and material deprivation, employment deprivation, education deprivation, and living environment deprivation" (Wright et al., 2009, p3).

As the first phase of this study sought to isolate from the Census the descriptive parameters of the KZN population, to subject the data to analysis of deprivation characteristics, an appropriate instrument was devised and constructed to perform this analysis. The instrument was conceptualised using the principles underpinning the MPI and SAIMD. The instrument correlates positively with the regarded and field-tested SAIMD instrument, supporting its validity and reliability. Exploiting the contemporary understanding of deprivation as a multidimensional phenomenon, the first phase deprivation index utilises five dimensions and 18 equally weighted indicators that were applied to the KZN 2011 Census data. A Rho of 0.92 infers this study's deprivation assessment is consistently and reliably undertaken, especially in view of the analysis being undertaken at the level of population.

At the hub of this study lie the data – the 2011 Census, the 2012 register of NPOs maintained by the DSD's NPO directorate and the KZN provincial report on NPOs funded in the 2012/2013 government operating period. Further NPO population data was derived from the 2012 DH annual performance report. The determination of the scope and nature of any relationship between NPO dispersion and the distribution of the province's deprived citizens – the study first phase hypothesis - hinges on the exploitation of correlation analysis. However, this study did not seek to establish any causal relationship should a relationship be

established; it intended rather to explore the presence of a relationship and to describe such a relationship if it were found to exist.

Data analysis was driven by Excel 2010, the NPO data being provided in this file format. The Census data was imported into Excel and a data table created to derive deprivation indices for the deprivation dimensions. The district municipalities were accordingly ranked on an ordinal scale according to their relative deprivation.

The NPO Directorate national register of some 85 000 NPOs was firstly arranged by province. The KZN NPOs thus isolated, were assigned a municipal location based on the NPO registered address. Eliminating 2 976 NPOs from the data set of 16 650 registered NPOs, where data corruption was evident and where the objective purpose of the registered NPOs differs from the provision of welfare-related services to a human population, resulted in a data set of 13 674 NPOs to subject to descriptive analysis.

This data file of registered NPOs was decomposed broadly by sector and more specifically by each NPO's primary objective. In addition the 2013 DSD annual performance report recording all welfare oriented NPOs in receipt of DSD funding - 2 665 NPOs in total - was reduced to a data table illustrating the categories of funded NPOs by district. The ICNPO was used to classify the NPOs at the outset. This classification was refined using the ten programmes by which the DSD undertake welfare provision at national and provincial level.

The data in respect of both variables available or reducible to Excel format, Excel 2010 with Analysis ToolPak add-in was used to undertake the necessary data manipulation, data analysis and statistical population parameter description. No inferential statistical analysis was indicated because the analysis is conducted at the level of population for each district and the province as a whole. Excel data analytical functionality employs Pearson product moment correlation. The evident correlational association between the variables was assessed using the Excel function. The results of the descriptive analysis are elaborated in sub-section 10.3.1.

10.2.3.3 Second phase methodology

The preliminary factual findings of the first wave of analysis impelled the second wave of analysis. Following the preliminary findings of the first phase of analysis, the second phase was conceptualised with the express intention of interrogating the state's third-party welfare-delivery modality. The methodology was constructed to enable identification of the social development outcomes-effectiveness of the prevailing model of select contracting of third-party NPO welfare providers.

The second phase research approach is predicated on a two-part proposition. The first proposition analyses the consistency and coherence of disbursements to NPOs over a five-year time series. The second argues the cogency of the social policy that manifests the NPO-funding modality deliberated by the state as impulsion for social development. Generating evidence for this argument was undertaken by regressing government contractual disbursement to NPOs in KZN, by district municipality, on the respective district municipalities' poverty headcount, for the five-year time series.

The propositional logic argues that if the modality funding pattern is exposed as inconsistent or apparently arbitrary, and the outcome of explanatory regression analysis contradicts the claim of welfare-proliferated deprivation alleviation, then the modality can be concluded as ineffective at best and egregiously specious at worst. A panel data set comprising DSD programmatic funding, by district, for the time-series duration, was assembled with the change in deprivation over the time-series period. DSD programmatic disbursements was scraped from the DSD's annual reports in KZN for the five-year time-series period. Following the same procedure by which the 2013 DSD annual performance report annexure of financial transfers to NPOs was converted from pdf file to MS Excel file in the first wave of research, the subsequent four years' data was similarly collected. Encompassing all welfare-oriented NPOs that were contracted by the DSD in the fiscal periods ended March 2014 to 2017 inclusive, this generated five years' KZN provincial government disbursements to welfare NPOs. Prepared using MS Excel spreadsheet data manipulation functionality, this data depiction enabled descriptive representation and introduction to Stata 13.0 for regression analysis and associated assumption testing. The goal of the regression analysis was to demonstrate with robust explanatory power, a lack of explanatory impact of the state NPO-contracting disbursement independent variable, on the dependent deprivation variable.

There exists insufficient information to replicate the derivation of poverty and/or deprivation scores for the five-year time series with the same reliability as undertaken with instrumentation developed for the first research phase. The change in deprivation over the time-series period was therefore extracted from the StatsSA 2016 Community Survey poverty headcount data. Exploiting similar principles to the United Nations Development Programme Multidimensional Poverty Index, the SAIMD and the instrumentation specifically developed for the first phase of enquiry, the StatsSA poverty headcount contributes a uniform and valid deprivation metric. This is particularly useful in view of the intention to extend the second phase analysis to the remaining provinces (see 10.6, suggestions for further research). The second phase of analysis is sufficiently distinct from the first, that the employment of a distinct deprivation metric is impact-neutral.

Cross tabulation in Stata ensured the consistency of the data file, enabling uniform and hence comparable analysis for the eleven municipal districts. MS Excel was employed in data presentation. The analysis was, as with the first phase enquiry, undertaken at the level of population. Contemplating, however, that concluding the state's contention as baseless and unfounded on the strength of regression analysis alone could be considered insufficient, a limited qualitative component was consequently embedded in the second phase research process. This research element extracted a selection of principal performance evaluation indicators data, affirming the contention of an incorporated imperfection in the state's rationale.

10.3 STUDY SYNOPSIS

10.3.1 Findings in fact

10.3.1.1 The scope and quantum of KZN NPO sector activity

The national register of NPOs records 16 846 NPOs registered in KZN, representing 20% of the national registration total of 85 248 NPOs. All NPOs are recorded in terms of their ICNPO classification, conveying that some NPOs are performing activity indirectly related to human welfare and hence inappropriate for inclusion in this study. Discarding these NPOs and erroneous KZN records, renders 13 674 unique NPO records for analysis. Three categories of NPO stand out: these big-three are social services (47.8%), economic, social and community development (20.3%) and HIV/AIDS (9.8%) NPOs, numbering 10 659 organisations in total and accounting for 78% of the provincial study population of 13 674 NPOs. Conversely, some NPOs contribute negligibly to the study population. While environmental NPOs for example pursue the conservation of natural resources for public use and enjoyment, these NPOs number only 81 in total, 0.6% of provincial NPOs rendering a service in the community interest.

The big-three NPO classes are identified as candidates for government contracting, and 2 665 NPOs were identified as funding recipients of annual subsidy, in the 2012-2013 fiscal period. This proportion represents 25% of the big-three population sub-set of 10 659 NPOs. No inference can reasonably be drawn that these subsidised organisations represent the mainstay of NPO welfare activity – rather, it can be concluded that this quartile represents NPOs in whom the government can rely upon to provide a scope of welfare provisioning that aligns with government's social development welfare objectives. However, this conclusion evokes a caveat: the activity of funded organisations demonstrates an alignment with government stipulation of scope of welfare service delivery that effectively strips the funded entities of their independence. Reporting requirements and, fundamentally, operating requirements in terms of which

subsidy is granted, renders these NPOs dependent sub-contractors of government's welfare undertaking. This prompts a potential line of enquiry for further research, more fully addressed in section 10.6.

If it is inferred that government NPO contracting suggests an importance and emphasis for welfarism, then it may be interpreted that welfare organisations, treatment centres, outpatient clinics, homes for the aged, service centres for the elderly, homes for the disabled, children's homes, private places of safety, shelters for children and for women, protective workshops, early childhood development centres, organisations facilitating community home-based care, and organisations facilitating youth development and community projects, are considered central to government's interpretation of social development welfarism. This prompts a further line of enquiry, in the form of research evaluating the scope and extent of social development endeavour that is achieved by contracting through subsidisation, the select ambit of NPOs providing government-supported-but-NPO-executed welfare service delivery. Again, this is more fully elaborated upon in section 10.6.

One further incongruity that is exposed in interpreting the scope and quantum of provincial NPO activity, is the emphasis placed by government on some activity at what may be the opportunity cost of neglecting other activity. The evidence demonstrates that 63% of available budget for contracted third party welfare provision (by subsidy allocation) is channelled to two programme categories, being services to people with disabilities and child care and protection services. This funding proportion rises to 80% when the funding to organisations providing services to the elderly is taken into account.

Also anomalous is that the two programme categories of youth development and sustainable livelihood community projects are distinguished by transfer of a nominal 5% of the available disbursement budget, yet a significant sum of R32 474 929 which is shared by only five organisations, each a subsidy beneficiary of an average of R6.495 million. This contradicts the relatively negligible average subsidy amount of R96 699 enjoyed by 1 674 early childhood development organisations and the average R245 167 subsidy transferred to each of the 184 home community based care NPOs providing support to HIV/AIDS victims. This incongruity provokes a further evaluative line of enquiry, also elaborated upon in section 10.6.

10.3.1.2 The spatial distribution of KZN NPOs

While the general welfare NPO population as well as the big-three population can be described in terms of spatial dispersion, it is most illuminating to compare the incidence of NPOs within each district municipality with the district human populations, in so doing isolating a prevalence of NPOs-per-1 000-of-the-population.

Data analysis establishes that eThekwini, unsurprisingly for a metropole of almost 3.5 million residents, domiciles 4 150 registered NPOs, 30% of the provincial welfare NPO population of 13 674 NPOs. iLembe district remarkably records only 479 NPOs in a district of 606 809 residents and uMgungundlovu 1 883 NPOs with a human population of 1 017 763. The eleven district human populations correlate positively with the registered NPO populations for each district revealing a Rho of 0.97. iLembe and uMgungundlovu district municipalities reflect the lowest (0.79) and highest (1.85) NPO prevalence factors respectively. The KZN average NPO prevalence factor is 1.33 NPOs-per-1 000-of-the-population.

Further, having identified that 78% of registered NPO activity is encompassed by only three ICNPO classes, namely social services (47.8%), economic, social and community development (20.3%) and HIV/AIDS (9.8%), analysis proceeded to correlate the spatial dispersion of the government-favoured big-three NPOs with the big-three NPOs generally. The strength of association between subsidised NPOs and the same big-three NPO classes generally, ranges from 0.59 through 0.87 to 0.93, summarised in table 10-1.

Table 10-1: Summary of correlation coefficients: spatial distribution of funded big-three NPOs and registered big-three NPOs

SOCIAL SERVICES rho	ESCD rho	HIV/AIDS rho
0.93	0.59	0.87

No district appears to suffer an extraordinary deficit, or surfeit of welfare NPOs. The moderate association between registered Economic, Social and Community Development NPOs and the government-favoured NPOs in this class enjoying contractor status prompts a more acute exploration of the rationale underpinning the emphasis of government support for early childhood development organisations, youth development services and sustainable livelihood community projects (the activities making up the ESCD class of NPOs). While a possible explanation is that this class of activity represents government's social development welfare intentions, the possible incongruity warrants further investigative enquiry.

10.3.1.3 The discernible population socio-economic characteristics of the KZN population

KZN, the Eastern Cape and Limpopo, are recognised as South Africa's three poorest provinces. All three provinces encompass what were formerly known as homelands; these provinces consequently demonstrate a legacy of public investment ambivalence at best and neglect at worst, in the so-called homelands. With a population of 10 267 300 citizens (according to the most recent census), KZN trails Gauteng (12.3 million citizens) as the most populous province.

The objective of posing the research question that this aspect of the study has attempted to answer is ultimately the derivation of an index of deprivation, enabling a ranking of DMs. Discerning the socio-economic characteristics of the provincial population was achieved by applying an ordinal index of multidimensional deprivation to the eleven municipal district populations enumerated in the 2011 national census of population. The study instrument was devised by selecting appropriate dimensions based on the contribution of the literature, and similarly selecting appropriate socio-economic indicators for each dimension. The five dimensions and the eighteen indicators invoke the descriptive data analysis that results in the determination of an ordinal index of multi-dimensional deprivation reproduced in table 10-2, illustrating eThekwini as the least deprived and uMkhanyakude as the most deprived municipal districts.

The five dimensions: income sufficiency, employment, education, housing sufficiency and material sufficiency were equally weighted, as were each dimension's indicators. The indicators within each dimension were subjected to correlation analysis to establish inter-item consistency. The DM deprivation rankings across the five dimensions are summarised and presented in table 10-2.

Table 10-2: Summary of ordinal ranking of KZN district municipality deprivation index dimensions

District Municipality	Overall deprivation index	Income sufficiency	Employment	Education	Housing sufficiency	Material sufficiency
eThekwini	**1**	1	2	1	1	1
uMgungundlovu	**2**	2	3	3	3	2
aMajuba	**3**	6	9	2	2	3
iLembe	**4**	4	1	9	6	7
uThungulu *	**5**	3	4	4	4	4
Ugu	**6**	5	5	6	7	6
uThukela	**7**	7	8	5	5	5
Zululand	**8**	8	10	8	8	8
Harry Gwala	**9**	10	6	7	10	9
uMzinyathi	**10**	11	7	11	9	11
uMkhanyakude	**11**	9	11	10	11	10

* The uThungulu DM underwent a name change in 2016. Now known as the King Cetshwayo DM, the former name is retained here because the table records the evidence derived from 2013, pre-dating the change in name.

The scale upon which these rankings are established is ordinal – no conclusions can be derived regarding the magnitude of the relative premium or deficit in sufficiency in any dimension enjoyed or suffered by any

DM relative to the others. While it is possible to compare for example the income profile of DMs, this analysis dutifully delivers the insight that Harry Gwala DM is characterised by average annual household income of R45 903, 55% of the provincial average whereas eThekwini's average annual household income of R112 830 represents 135.9% of the provincial average household income. However, in the absence of establishing the prerequisite economic requirement of rural dwellers to sustain acceptable lifestyles compared to their urban counterparts, direct comparison is futile. It is recognised that subsistence agriculture is facilitated in rural and perhaps even in peri-urban environments for example. Indigent urban dwellers survive in a distinct context, characterised by higher rates of population density and a reliance on wage opportunity.

Unemployment, measured according to the official definition of non-working adults who seek employment sees only uMgungundlovu, iLembe and eThekwini exhibiting unemployment rates lower than the KZN average of 33%. While eThekwini demonstrates a nominally lower rate of unemployment to iLembe, the higher rate of youth unemployment in eThekwini results in an aggregated unemployment index score that places iLembe as better off than the eThekwini metropole by an order of one.

There is distinct merit in measuring unemployment with two indicators for this treatment introduces enhanced validity - youth unemployment is similarly distributed to the overall unemployment rate with a correlation coefficient of 0.98.

Similarly, against a provincial average of 9.1% of the population enjoying some form of higher education attainment, only Amajuba, uMgungundlovu and eThekwini demonstrate higher education attainment proportions in excess of this provincial mean. Only eThekwini residents demonstrate a greater than average attainment of Grade 12/Standard 10. Similarly, the eThekwini metropole enjoys the lowest rate of no schooling of the eleven districts. Paradoxically, analysing the percentage distribution of school attendance by district municipality places eThekwini as the DM with the poorest level of school attendance at 67.7%, lower than the provincial average of 74%. Importantly, however, it is the average of each of the four education factors making up the education dimension, which establishes the overall education deprivation ranking as component of the overall DM deprivation ranking. There is little benefit for the purpose of this study, in speculating the antecedents of these four education factor phenomena.

The essence of this discussion is reinforcement of the acknowledged construct that deprivation is lived disadvantage, experienced distinctively at individual level but reducible to aggregation at community level. The proviso is that deprivation must be considered from multiple perspectives, accounting for the ill being brought to bear by a range of circumstances. Where many of these circumstances are adverse, deprivation

is more severe at an aggregated level than that experienced by communities where fewer circumstances are hostile to the lived condition.

Distinguishing relative wellbeing across the KZN DMs is a necessary component of testing this study's thesis. The outcome contributes limited value as a measurement of deprivation per se, but the mechanism does lend itself to application in coordinating investigation of third sector welfare provisioning in the other provinces, as well as national context. Provincial welfare budgets are a function of national analysis and the study ranking mechanism lends itself to coordinating national explorative, evaluative and confirmatory research of the fairmindedness of national welfare budget allocation. This thread is taken up as a recommendation for further research in section 10.6.

10.3.1.4 The hypothesised associational relationship of KZN district socio-economic characteristics and NPO distribution.

This study hypothesises that there is a relationship between the quantum of registered welfare NPOs and the relative deprivation suffered by each of KZN's eleven municipal district populations. No assertion can be made as to the direction of any relationship because there exists no prior research to suggest a directional relationship, if any relationship at all. There exists no reasonable basis upon which to assert a directional basis; this study therefore establishes a foundation upon which inference can be drawn and further research conducted.

Iteratively, the study has conducted five tests for associative relationship:

i. Test for association between the spatial incidence of registered welfare NPOs and DM deprivation rank;
ii. Test for association between the spatial prevalence of registered welfare NPOs-per-1 000-of-the-general-population and DM deprivation rank;
iii. Test for association between the spatial prevalence of registered welfare NPOs-per-1 000-of-the-deprived-population and DM deprivation rank;
iv. Test for association between the spatial prevalence of government funded NPOs-per-1 000-of-the-general -population and DM deprivation rank;
v. Test for association between the spatial prevalence of government funded NPOs-per-1 000-of-the-deprived-population and DM deprivation rank.

The presence, direction and strength of relationship are measured by Pearson correlation coefficient. Results of the analysis are summarised and presented in table 10-3. The analysis compels conclusion that

there is no relationship between the provincial incidence of welfare NPOs and the relative deprivation experienced by the provincial population. However, while at first blush there appears to be no association between the two populations, two interpositions reveal a greater depth to the data.

The first of these interpositions isolated the deprived proportion of the population as a more descriptive and accurate indicator of citizens to whom proactive welfare provisioning should be directed. The second interposition transformed the NPO incidence variable to a prevalence metric, serving to facilitate more incisive exploration of the relationship between active welfare NPOs and needy citizens.

Table 10-3: Summary of study associative relationship testing correlation coefficients

	Test	Pearson r
i.	Linear relationship between the spatial incidence of registered welfare NPOs and DM deprivation rank	-0.58
ii.	Linear relationship between the spatial prevalence of registered welfare NPOs-per-1 000-of-the-general-population and DM deprivation rank	0.07
iii.	Linear relationship between the spatial prevalence of registered welfare NPOs-per-1 000-of-the-deprived-population and DM deprivation rank	0.69
iv.	Linear relationship between the spatial prevalence of government funded NPOs-per-1 000-of-the-general -population and DM deprivation rank	0.62
v.	Linear relationship between the spatial prevalence of government funded NPOs-per-1 000-of-the-deprived-population and DM deprivation rank	0.85

Analysis then reveals that prevalence of NPOs in the province's municipal districts bears a relationship to deprivation. Testing for a linear relationship between the spatial prevalence of registered welfare NPOs-per-1 000-of-the-deprived-population and DM deprivation rank delivers a Rho of 0.69 (test iii.), considered to be at the upper end of a spectrum of moderate correlation.

Isolating the NPOs that contract to government by virtue of directing government subsidy to their target beneficiaries, renders a Rho of 0.85 (test v.) suggesting that government resource allocation is even handed and appropriately directed to the province's most needy communities.

The results prompt contemplation of the factors that inspire the establishment of welfare NPOs. While it is accepted that civil society organisations are conceptually rooted in the notion of civilians acting in unison to withstand uncivil government, it is evident that Kwazulu Natal's welfare NPOs do not demonstrate any strategically deliberate counter to community ill being. This suggests that investigating the antecedents of

NPO incorporation may illuminate the foundations of conscionable civil society impetus. This is elaborated upon in section 10.6.

10.3.1.5 The change in KZN's regional deprivation intensity over five years measured from the base year of 2012/13

The data reveals a five-year improvement in poverty headcount for all 11 municipal demarcations, ranging from a substantial ~42% improvement in the case of eThekwini to ~19% in the case of Zululand. In the case of the Metropole, StatsSA data indicates that only 3.8% of the regions inhabitants can be regarded as deprived where as 10.4% of the Zululand DM's inhabitants are multi-dimensionally deprived. This simple rendition of data points disguises the fact that the worst off municipal district, uMkhanyakude, having enjoyed a 23% improvement in poverty headcount over the time series records the greatest number of inhabitants living in multidimensional poverty: 15.7%.

This sounds a caveat: even though lived deprivation throughout the province may be regarded as generally diminished, poverty headcounts merely represent an appreciation of what we may regard as relative deprivation, spatially manifested. The metric cannot convey in a percentage, the misery accompanying intensity of deficit in income, resources and opportunity.

10.3.1.6 The quantum and categorical allocation of funding by the state in KZN measured from the base year of 2012/13

Almost 14 642 data records recording disbursements of ~ R3.6 billion to contracted NPOs over the time series are found to disguise sweeping variation within the categories of funding. In 2013/14 for example, total disbursements to HIV/AIDS NPOs shrunk by 85% from R45.1 million to R6.6 million. This resulted in 169 NPOs, recipients in the previous period of an average annual contract revenue of R245 000, not enjoying contract renewal.

Similar variability is established in the youth development programme with, for example, a three-fold increase in disbursements expenditure to contracted youth development NPOs in 2013/14, relative to the prior year. This represents a programme-category increase in disbursement of R23.8m. The total disbursement to youth development NPOs of R34.9m, was shared by nine NPOs, each receiving an average of R3.9m although no youth development NPOs were contracted at all in the subsequent year, 2014/15. However, 13 NPOs emerged victorious in 2015/16, attracting government revenue of R19.4m at an average of R1.5m per organisation. The number of contracted youth development NPOs was to quadruple in the 2016/17 year to 52 organisations, recipients of R31.4m in DSD programme-category disbursement.

Parallel to this, 10 646 childcare NPO contracts were struck, accounting for almost 73% of the 14 642 NPO contracts struck over the time series, and consuming 59% of the total disbursement over the five-year

period. This represents almost seven times the share of the annual DSD disbursement to NPOs than the next largest budget allocation, care to elders. In what is a more palpably obscure instance of resource direction, deep-dive into the data reveals that the worst off DMs receive less funding calculated as a funding rate per deprived inhabitant, then do the better off DMs. This contradicts what would be regarded as a more rational distributive principle, namely that budget allocation by the provincial DSD would be undertaken according to each district relative impoverishment.

So, for example, the relative allocation of resources to eThekwini consistently exceeds by more than three-fold, the allocation to the NPOs providing welfare services to the deprived citizens of the Harry Gwala DM. eThekwini enjoys a 3.8% poverty headcount, relative to the 14.3% poverty headcount of the Harry Gwala DM, the ninth worst off DM in the province in the year ended March 2017.

10.3.1.7 The extent to which the state's annual social development programmatic funding allocation in KZN explains the reduction in district deprivation over the period of analysis

Multi-collinearity of the programmatic disbursements of the DSD over the five-year time series rendered redundant the original intention of fitting a multivariate regression model. A univariate regression model was ultimately constructed, in the form:

$Y = \beta_0 + \beta_1 X_1 + \varepsilon$

Where:

- → Y represents the quantum of individuals in each municipal district calculated to be deprived as a function of their multi-dimensional poverty
- → B_0 represents the y-axis intercept
- → $\beta_1 X_1$ represents the population parameter coefficient of government social development spending in each municipal district, for the five-year time series
- → ε represents unexplained variance.

The data was modelled in twelve distinct regressions, eleven in respect of each district and one for the province measured as a whole. It would be reasonable to presume that the considerable annual disbursement to NPO contractors, together with state assertion that this spending represents disbursements related to social development, could explain the improvement in poverty headcount across the province over a period of analysis. In the interests of both brevity and emphasis, only the provincial modelling outcome is summarised in table 10-4:

Table 10.4: Regression output for KZN province

	Y poverty headcount Y axis intercept	**β** population parameter coefficient	**ε** standard error	**Significance of coefficient estimate P > [t]**	**Adjusted R^2** (coefficient of determination)	**Significance of the coefficient of determination p > |F|**
KZN	**1 801 840**	-0.001082	0.0002119	**	0.8624	0,0145 **
** denotes significance at the 5% level						

With 86% of the variability of the response data (adjusted R^2 = 0.8624) explained by the model for the province as a whole, the regression suggests that 0.001982 KZN inhabitants are lifted out of poverty for every R100 000 disbursed by the state. Simplifying this explanation, R92 421 442 is required as investment by the provincial government, to raise one deprived individual beyond the multidimensional deprivation threshold represented by the poverty headcount metric. Statistically significant at the 5% confidence level (p = 0.0145), the model suggests it is reasonable to accept that there are factors other than social development spending as interpreted by the DSD, that have contributed towards improving the province's poverty headcount incidence.

10.3.1.8 Qualitative evaluation of select elements of the social development modality

Tracing government disbursements in respect of contractual co-option of the productive capacity of welfare NPOs in the province over the study period, demonstrates a substantial and consistent quantum of funding assigned to development welfare. However, this pattern is also marked by inter-programme inconsistency in the delivery of government-contracted NPO-provided welfare services and what appears to be occasional arbitrariness in NPO-contractor selection and appointment. Modelling the relationship between spending and deprivation incidence and district prevalence reveals, with robust explanatory power, that factors other than the DSD's contractor co-option contribute towards improvement in the quality of life of the province's inhabitants.

It is rational to conclude that there is little support for the contention that the state's direction of government-contracted NPO-provided welfare services impacts favourably upon social development, where social development is regarded as a material, self-determined but third-party enabled, climb out of poverty.

Nonetheless, a fundamental pivot upon which the second wave of research is predicated is the extent to which the state's NPO-funding modality represents a cogent approach to advancing social development. To this end, the pattern of state funding of NPO-provided welfare services has been identified as inconsistent and occasionally arbitrary. Moreover, policy and practice should necessarily lean towards the principles and criteria identified in the review of literature as prerequisite for social development. These include removing constraints to self-reliance, improving access to key productive resources, and facilitating the realisation of increased value of the productive outputs of the deprived. However, this represents a substantial body of particular investigation that diverges from the broad parameters determined by the current research. It is consequently recommended in the terminal report chapter as a distinct, yet clearly related and necessary trajectory of further research enquiry.

To the end of supporting this conclusion, a limited embedded qualitative component was incorporated in the second research phase methodology, seeking to further support the contention that the states social development machinery is an implausible basis for remediating the province of social development deficit. The 'Kwazulu-Natal Department of Social Development Annual Performance Plan 2013/14 including Reviewed Strategic Plan 2012-2015' was identified as a pre-eminent representation of the tactical execution by provincial government of its social development ambition. The performance indicators specified and mapped by this plan were subjected to scrutiny, isolating the characteristics of these indicators, populating as they do the state's conjunction of ambition and accomplishment. The overarching objective was to seek confirmatory evidence of an overt and single-minded reliance on unqualified quantitative performance indicators that do not interpret goal realisation.

Without exception, the indicators determined and specified for use in monitoring and evaluating social development programme activity, do not interpret goal achievement and rely on the presumption that quantity can be depended upon to represent effectiveness. Evaluation of performance is consequently limited to production output, and evaluation of qualitative outcome is ignored and by construction, denied.

10.3.2 Conceptual findings

10.3.2.1 Ideological ambition overreaching the production possibility frontier

When the current government administration assumed control of social welfare provisioning in 1994, the immediate dilemma arose not in the form of what to do, but how to get it done. The Freedom Charter, the ANC's liberation election manifesto, the preliminary frame of reference for the constitution adopted in 1996, all made the goal of social welfare very clear. Social welfare was, firstly, to be expanded to all citizens and secondly, was to assume a restorative mandate.

How to achieve this presented a headache. With the new government's legacy in community politics and with a mandate to advance community development, turning to civil society was a foregone conclusion. NGOs had in any case been providing social welfare services for decades, typically as voluntary associations. Re-conceiving this welfare sector was prioritised and in short order the former Department of Welfare was reconstituted as the Department of Social Development, enjoying responsibility for maintaining a NPO Directorate brought into being by the Non-Profit Organisations Act of 1997. NGOs that were already undertaking subsidised service provision, prior to the 1994 change in government, were urged to register with the NPO directorate in order to continue receiving subsidisation. By the early-2000s, subsidisation had morphed into contracts with particular parameters. These parameters establish for the greater part, conventional welfare service provisioning as a production possibility. However, a second production possibility, that of developmental welfare, represented the new administration's interpretation of welfare provisioning.

For over two decades now, these two dimensions have represented related but mutually exclusive extremes of a welfare production possibility frontier. It is observed, however, that government's ambition: maintenance of traditional welfare together with tangible progress in respect of social development, represent a point I contend lies comfortably outside the envelope of the production possibility frontier. I interpret that government has little choice but to maintain its ideological rhetoric, in the course of sustaining the liberation manifesto on which it contested the democratisation of the bizarre state of affairs over which it assumed control in 1994.

With newly re-treaded NPOs plying their craft at the behest of an incrementally authoritarian government, any progress made towards the goal of social development would be decided by government. In KZN, deep-diving government's somewhat opaque data placed in the public domain reveals that in five years only R53 million was devoted to the three programs of youth development, women development, and sustainable livelihoods. These three programmes represent what could be interpreted as the poster children for government's vision of social development. These are the only programmes with any potential to remediate the deficit in income opportunity, resource access and self-sufficient climb out of poverty. In context, the direction of this R53 million stands in remarkable juxtaposition to the ~R3.5 billion devoted to KZN's contracted social welfare NPOs over the same period, independent of the rather more substantial cash grants transferred monthly to the vulnerable groups of children and elderly.

10.3.2.2 Lavish ambition overreaching an inhibited production capability frontier

A second disjuncture arises, related also to the state's lavish ambitions. The exploitation of the human capital represented by civil society organisations willing to, or seduced into, registering as NPO preferred

providers, so to speak, is an imperative given the dearth of human capital available as public service administration personnel. However, whether employed by public sector, private sector or third sector, social work professionals are principally care workers - not development specialists. Anticipating that social workers predisposed towards addressing the human welfare needs of disaffected individuals and groups could be expected to reengineer their skill sets to accommodate business and economic development, is disreputable.

It is improbable that, as an aggregated group, social workers are able to identify and coordinate access to key productive resources on behalf of deprived individuals, households and communities. Nor can they durably facilitate cash generating activity and/or increases in household productive output, provide wealth creation assistance and facilitate a reduction in under- and/or un-employment. They cannot in sufficient number identify systemic constraints to self-driven social development, nor effectively advocate and agitate for the dismantling of these impediments. Frankly, both the gravity and the enormity of the task lie beyond the skills envelope of the profession now, and foreseeably for some time into the future.

10.3.2.3 A game of charades: diktat and deception

The third and final disjuncture recorded is one that speaks to a deception perpetrated by the authoritarian regime that does not just deliberate and determine, but dictates, how the pattern of welfare - conventional or developmental - will proceed. Central to this is the inconvenient truth that government, in specifying contractual parameters, performance and adherence, is contracting select NPOs in totality, but not paying the ticket price associated with this commandeering of service capacity. In other words, NPOs are not subsidised, but co-opted. The upshot is that contracted NPOs must generate revenue streams I estimate to be at least equal but probably greater in extent, then the funding amounts received in respect of government's totalitarian approach to contracting.

This revenue must be tapped from the public, corporate, and small business donors. Relying on claims to the compassion exhibited by individuals and committees alike, I am inclined to regard this as an unpalatable deceit. I do not disparage the palliative succour provided by welfare NPOs. Far from it - almost half of my rich and varied working life has been devoted to managing and directing human welfare. However, donors are naïvely unaware of the welfare machinery engineered by government and similarly unaware of the underlying business model in terms of which they make their endowments. Regrettably, my experience is that most donors would prefer not to know. Exploring this observation represents a research avenue I propose and recommend in section 10.6.

10.3.3 Implications for policy, process and practice

10.3.3.1 Policy implications

My factual evidence and conceptual conclusions alike, point to social welfare policy that is ideologically originated but inadequately aligned to the pervasive realities of NPO and social worker capacity and capability. It is improbable that recommendations to amend welfare policy, rendering social development more an exercise in wily business judgement, than one in idealisation of social imperatives will gain traction. The entire landscape of policy makers, experts and social work professionals are either directly or indirectly displaced by my conclusions. Even so, this three-fold complex of misfortune - economic exclusion, resource poverty and a lack of authentic suffrage – can only be mitigated by policy shift facilitating durable and authentic action.

10.3.3.2 Process implications

While the contracting of NPOs by government is an unalterable reality of compromised communities' demand for welfare provision, government's selection of NPOs with which to contract for service delivery is lamentable. The variability of the funding of NPOs over the time series of the research investigation bears mute testimony to this. I can add that having been party to the process, as one of a pool of regarded practitioners invited by the DSD to assist in addressing selection and contract renewal backlogs, I observe the process to be superficial and weighted towards box ticking conformance. If social development is to be undertaken by contracted NPOs, then an invitation should be extended to the development community by request for proposal. This falls within the ambit of government process and can be designed to mimic the processes by which the government departments responsible for infrastructure proceed from conception to execution in the establishment of infrastructure projects. Requests for proposal would establish a fair measure of competition (if exercised transparently and scrupulously) for resources and market access. Provided this is directed by appropriate skills at DSD level, and is committed beyond a year-to-year project plan, they exists realistic prospect of favourable outcomes.

Further, I observe that the process of social development, as economic emancipation, requires careful and astute coaching and mentorship of the disadvantaged. If social work professionals are to be usefully and legitimately leveraged in fulfilling an applied development economics role on the state's behalf, then social workers must be more appropriately skilled. Social work curricula must be moderated to represent a learning ladder with potential for professional development that more closely resembles the demands of sustainable small-scale enterprise development, in a business environment widely acknowledged to deny small-scale market entry, and enduring success.

10.3.3.3 Practice implications

Committing resources to social development, even if this is performed in an enabling policy framework, does not assure the development projects so undertaken with success. From a practice perspective, social development requires the development of both the capacity and agency of target beneficiaries. Hitherto largely overlooked, is the prospect of small-scale development project success, because exemplar projects are in short supply. Where small gains have in fact been durably made, the praxis must be shared with the social work social development community. Even so, committing resources does not inevitably secure high-performance outcomes. Performance metrics that acknowledge palliative outcomes even where remedial intentions propel project activity, are necessary to maintain project sincerity and project momentum.

10.4 STUDY LIMITATIONS

The reliability and validity of this study are considered in this section. It is emphasised that the research is conducted at the level of population, hence data analysis and interpretation is achieved within the parameters of the provincial populations of registered NPOs and citizens. This enables confident interpretation of data because sample error cannot arise.

It is, however, noted that the location of NPOs in the NPO Directorate's register could conceivably misrepresent the area of NPO operations; NPOs could conceivably operate in rural areas while retaining a registered office in an urban centre. It is contemplated that potential analysis error arising from this paradox is countered by virtue of the spatial boundaries within which the analysis is undertaken being drawn at the level of municipal district. It is also the researcher's experience that NPOs operating in multiple districts maintain distinct registrations, locating each operation in the district in which they provide service.

It is also acknowledged that using NPO incidence and prevalence as a unit of analysis does not necessarily account for scale of assistance rendered; this may be thought to belie the size of and scale of service provision undertaken by NPOs. However, undertaking analysis at the level of population in a cross-sectional survey of all of the districts serves to counteract this potential shortcoming. Additionally, contract funding parameters are noted as standardised. As such, the scale of NPO service provision is in direct proportion to funding disbursements to contracted NPOs..

The panel data set only captures a five-year time series. This represents a limitation in as much as only a fifth of the current government administration's social development efforts are subjected to analysis.

However, this is beyond the control of the research process, government transparency in this regard only emerging from 2012.

What could be claimed as a limited scope of document analysis as the final analytical iteration of the second research phase, hence an apparent bias towards adverse commentary supporting my research contention, is a defensible action. Firstly, the selected documents are pre-eminently representative and principally constitutive, of the tactical execution by government of its social development ambition. Secondly, I am setting out to support, and not rebut, my quantitative evidence. This research is steeped in its conceptualisation and execution, after all, in realist pragmatism. I accept the possibility of opponents contradicting my assertions. Provided the evidence raised in such contra-assertion speaks incontrovertibly to actual policy practice and implementation, and not merely ideological ambition and normative idealism, I will happily embrace the refutation for it will serve, ultimately, to focus intellectual contribution to a neglected debate.

While bias error is possible because the interpretation relies on the judgement of the researcher, interpretation is confined to the specific results achieved. It is only with the discussion that follows in section 10.6, where I recommend further research avenues, that bias is conceded. This bias is in fact asserted, for it is my scholar-practitioner's insight into the sector that is leveraged to contemplate future research avenues.

Hence is it maintained that the study may be regarded as internally consistent, externally valid, and reliably conducted. However, conclusions cannot be extrapolated to the civil society-government interface nationally, for the study has confined analysis to the particular relationship prevailing in KZN.

10.5 STUDY SIGNIFICANCE

10.5.1 Contribution to knowledge

The non-profit sector is a vital and exploited tool in the arsenal assembled by the DSD. The literature review reveals a level of veiled control is exerted over the sector, through the control of the registration and maintenance processes of NPOs, and the contractual appointment of select NPOs where DSD criteria are met. Civil society actors with a legacy in attending to state incivility are co-opted and directed in an authoritarian framework more suited to private sector business enterprise regulation.

Last subjected to detailed (although incomplete) review in the previous century, the growth of the sector, and in particular the utilisation of the sector by the state's welfare machinery, is a neglected area of research.

With this paucity of comprehension and understanding, the prospect of optimal utilisation of the production capacity the sector represents is weak. Additionally, the prospect of nefarious utilisation of the NPO organisational form, exploiting the limited government oversight committed to this sector of the economy, is unnervingly real.

In the central thrust of this research, the utilisation by government of co-opted NPOs is reliably and accurately dissected. This population-level study suffers no sample bias, and producing the factual evidence alone, represents an original and unique contribution to the knowledge commons. While the cognitive bias that could conceivably steer the conceptual conclusions, given my scholar-practitionership, I attest that these represent an insight that would otherwise remain beyond the reach of researchers not intimately connected to the sector and not party to the depth of insight I have enjoyed the pleasure of accumulating since the turn of the century.

In respect of the orchestration by government of an alleged social development orientation in social welfare, the study demonstrates that the state's execution of this ambition is an implausible one. The study draws referenced and reliable, accurate population-level links between social deprivation and NPO distribution. The contribution of the small cohort of contracted NPOs, representing a fluctuating group of around 3 000 NPO entities, to social development outcomes is for the first time, unravelled and analysed. Merely profiling these entities, over a five year period, represents a unique and hitherto invisible appreciation of the sector. The outcome of quantitative analysis (by which I refer to the unusual use of regression analysis to explain the absence of a relationship) represents a provocative perspective that I contend reliably documents the inauthenticity of government's claims that directing substantial disbursements to social welfare gives rise to social development outcomes.

A frame of reference is established by which the investigation, in both of its phases, can be relocated in a national study, also at the level of population. The evidence produced by replicating this study across the remaining eight provinces, will record a phenomenally complete and thorough description of the state-facilitated social welfare phenomenon, encompassing the South African universe.

The development of a census-based multi-factor index of deprivation as undertaken in the first study phase, while not unusual, is more thorough than the available alternatives. The extraction of data as undertaken in the first phase for a single year, and in the second phase for a further four years, represents a dissection that demonstrably reveals the arbitrariness of state NPO contracting, a phenomenon hitherto invisible.

Finally, I record that this research represents a definitive frame of reference by which:

a) the state may elect to refine its approach to alleviating ill-being,

b) the NGO sector may more astutely enter into contracting relationships with the state,

c) institutional and individual donors may more discerningly elect to close the funding shortfall of NGOs that offer contracted welfare services at the state's behest, and

d) scholars can proceed incrementally with further exploratory, explanatory and descriptive enquiry.

Reduced to a central value proposition, the single greatest potential contribution of this study vests in making explicit both the qualities and the quality of the government-civil society relationship, informing social policy makers and commentators alike, beneficiaries, civil society actors and related stakeholders.

10.5.2 Communicating the outcome

Given the unpalatable nature of the evidence and my conclusions within some quarters, I will have to be temperate in disseminating the study results. That said, the audience to which the results must be directed, emerge in four classes: the academe; the community of benefactors, whether they bestow their endowments with compassion, or with exactitude; civil society, especially the company of NPOs who enjoy, or have previously enjoyed contracted relationships with the DSD and, finally, government.

Each of the four classes can be considered to demonstrate distinct interest. The academe desire authoritative input, and research avenues. Benefactors making their endowments with precision, are usually responsible to a governance framework, and require validation of the choices made in distinguishing meritorious requests for financial aid, from nebulous enquiry. Civil society constantly seeks a *raison d'être* and clarity of purpose. I interpret that the state audience falls into two sub-classes, one of which earnestly seeks clarity and supported, defensible reasoning in all information sources, and one that rejects critical input.

If I am to succeed in communicating effectively with each of the four audiences, I speculate that I will have to manipulate the message to suit each group. To this end, I intend emphasising the first phase results as an interest article for scholars, intending that this be directed to the audience through local journal(s). Paving the way, so to speak, with this material which provides some hope for favourable outcomes, serves to ease the transition to launching the second phase results, again to scholars in the form of (what I desire as) local journal publication. The distributive justice process and output issues embodied in the third disjuncture I note in sub-sub-section 10.3.2.3, merit conjecture to the audience of scholars interested in ethics and governance. The first phase deprivation measurement instrument also represents an article of interest to the development community, and I will generate output specifically for this group of scholars. Ultimately, extending the research to incorporate a South African universe study, merits release as a research book.

The benefaction and NPO contractor audiences are better served with concise release of select elements of the two phases of study, and I speculate that accessible media such as the intellectual press, The Conversation Africa and similar publication avenues, serve as conduit for communicating the material in a light but impactful way for these audiences.

I intend seeking NRF Knowledge Advancement and Support Directorate development grant funding, to originate a symposium for academics, civil society representatives, major benevolent trust benefactors and government directorate representatives. I am inclined to believe that sustained emphasis and regular release of evidence (including that from ongoing investigative enquiry), will overcome inertia and reacquaint local academics in particular, with an area of scholarship that has largely fallen into neglect.

I present my findings to the *Joint World Conference on Social Work, Education and Social Development 2020* in July 2020. By stimulating interest in the management science community, I hope to prompt a research track for young academics in a field I regard as likely to escalate in relevance.

10.6 SUGGESTIONS FOR TWO TRAJECTORIES OF FURTHER RESEARCH

As this research enquiry has proceeded, areas of limited knowledge and understanding have become progressively evident. The connections between civil society and non-profit activity directed to the provision of human welfare, have not sparked attention and, for that matter it would appear, much interest. The most recent thorough overarching NPO sector research dates to the turn of the century, with the contribution of Swilling and Russell (2002). Tellingly, and perhaps even alarmingly, exploitation of the state's NPO organisational form has also escaped attention. The steady encroachment marked by NPO registrations upon the elaborately governed terrain of company and trust registrations (and even the now redundant close corporation) has staged a scenario where inadequately regulated enterprise delinquency poses a risk to creditors and benefactors. The former through trade debt and the latter through capitalisation, for which there is no equity collateral.

Parallel to this enterprise risk, the very substance of what is hyperbolically contemplated as social development is shredded by an imperfect policy context. This lamentable state of affairs is aggravated by ineffectual operationalisation by the principal responsible institution, the DSD. Agential service provision has been established by this research as palliative, failing – with no apparent prospect of relieving this situation – to remedy the paucity of social development that manifests as social exclusion.

I regard two research trajectories to emerge as imperative - research to improve our general understanding of the NPO sector, and to improve our specific understanding of the NPO sector's role in, and contribution to, social development. The following two sub-sections indicate the research avenues I regard to be prominent lines of enquiry to pursue within each trajectory.

10.6.1 Research to elevate our understanding of the NPO sector

The first clear and evident research avenue is one which replicates my methodology to provide description and explanatory evidence of NPO contracting for welfare delivery in the remaining eight South African provinces. The KZN circumstance I have elucidated is reasonably assumed to be reproduced in the other provinces. Establishing a base-line of the social development status-quo commensurate with the first quarter of a century of the current administration's governance and social masterplan, commences a constructive time line of pertinent evaluation and commentary.

This study theorised that civil society, inspired as it is by conscionable response to uncivil societal comportment, would bear a relationship to the ill-being experienced as multi-dimensional deprivation experienced by what has been shown to be a substantial component of the KZN population. The evidence demonstrates little evidence of any relationship. Given that the study has interrogated the data at the level of population, there is no prospect of sample error. This infers that the origination of civil society organisations as the now-ubiquitous NPO may be inspired by factors other than conscience, or *l'universalisme moral.* Perhaps access to, or availability of, infrastructure is a stimulus. Perhaps NPOs are incorporated as a function of sufficient intellectual and network resource. Perhaps it is the case that a tipping point must be reached, represented by the coincidence of conscience, competence and capacity, overcoming community inertia. I regard that exploring the antecedents of NPO incorporation, across classes and scale of operation, for both recently incorporated NPOs as well as those NPOs with substantial history, would go a long way to reducing the paucity of insight that currently characterises our understanding.

Further, I intuit that the impetus for NPO registration is disturbingly often the prospect of a better life for the NPO founders, the prospect of government largesse (from all government departments seeking community based partners, not just the DSD) elevated upon NPO registration. Even if I am mistaken in this belief, contracted NPOs represent a commandeered civil society, beholden in the first instance to the state that regulates them, and thereafter to the citizens they purport to represent. Worse still, is the prospect that NPOs may be registering in droves in pursuit of the promise of government contracts and a better life for the NPO founders. There is merit in interrogating more deeply the factors that have propelled a doubling of registered NPO numbers since I conceived and commenced this research enquiry.

I infer that NPOs are a deceptively simple vehicle for establishing limited personal liability entities, with no hurdle for disqualified persons (in terms of the prevailing Companies Act regulations) and no personal risk /liability, under the guise of social entrepreneurship. This broadcasts a warning to all who would be approached for financial contribution including trade credit and I assess there is merit in surveying the perceptions of corporate, institutional and individual benevolent donors. All of these have reached into their metaphorical pockets or their enterprise purse to contribute to either the capital expenditure or operating expenditure of civil society organisations. I would like to know whether such donors fully understood the application of their funds, the extent to which these funds would give rise specified or anticipated benefit and whether or not such donors ever doubted the merit of the donation decision, and if so, the factors that inspired such doubt. Perhaps I may encounter opportunity for case study investigation and reporting of select instances of impropriety, fraud or deceit. The research opportunity therefore lies in undertaking confirmatory analysis to remove beyond reasonable doubt understanding of NPOs' sources of funds. This in turn facilitates a related enquiry, being an investigation of the viability and sustainability of NPOs generally.

Conceivably, NPOs (in fact only the proportion contracted by the DSD) enjoy an annual budget in KZN comfortably in excess of R1 billion per annum, accounting for reported government disbursements to select NPOs, and the likely rand-for-rand match in respect of funds raised in addition to state funding by these organisations. I would like to know how this sector, preferably as a whole (including registered and active organisations not contracted by the state) compares to other sectors. The research opportunity I identify is one that establishes employment and turnover levels in the sector to enable comparison with other economic sectors.

The surfeit of welfare NPOs relative to government's available budget for distribution to welfare providers suggests that demand outstrips supply by a long margin. Of the big-three population sub-set of 10 659 NPOs in financial year 2013, only 25% of these institutions were contracted by the DSD. The requirements for funding are stringent, in that supported organisations must adhere to a specified benchmarked profile of organisational performance. Retention of the prospect of continued contractual appointment in ensuing financial periods is subject to strict reporting criteria, formats and deadlines. There is consequently little opportunity for funded NPOs to exercise any of their *société civile indépendance* – hence organisations with decades-old histories that seek to increase their welfare footprint might find that they are obliged to shrink their ambitions to suit government's stipulations. Over a period, these organisations may be rendered so dependent on government funding that they cannot in fact retrace their steps to recover their original vision. This is not quite civil society-capture, but my observation is that organisations of some substance have become vassals for government's provision of welfare, retaining responsibility for financing the

operating cost shortfall not provided for by the state. The NDP acknowledges that "…these budget transfers do not cover the full cost or scope of the services … the national Department of Social Development has completed a revision of the policy on financial awards for service providers, however it does not commit to full funding, even for services mandated by legislation" (NDP, 2011, p340). The impact on the NPO sector of co-opted NPO contracting accompanied by uncompromising parameters, is speculated as significant, and merits exploratory descriptive research.

10.6.2 Research to elevate our understanding of the NPO sector's contribution to social development

I have already proposed (sub-section 10.6.1) that this study be repeated in the remaining provinces, to create a universe of South African data. Provincial welfare budgets are a function of national analysis and the study ranking mechanism lends itself to a related avenue of enquiry, one addressing the trajectory of civil society's contribution to social development. I advocate coordinating national explorative, evaluative and confirmatory research of the fairmindedness of national welfare budget allocation. This would establish the rationality of the state's modality, in respect of inter-provincial cogency and parity of systemic execution.

Repeatedly echoed in this report, is the observation and interpretation that the preponderance of contracted NPO activity is in fact directed at traditional social welfare and not social development. Successive macro-economic strategies have emphasised social development to little avail. The skewed allocation of funds to conventional welfare relative to what is proclaimed by government as developmental welfare, suggests that the preponderance of government-supported-but-NPO-executed welfare service delivery falls within the ambit of addressing the consequence of incivility, not the cause or the perpetuation thereof. This paradox warrants closer investigative scrutiny. I propose that the anomalous and/or aberrant funding of youth development and sustainable livelihoods and women development I have identified, be subjected to scrutiny to identify the outcomes of government investments in the limited number of NPOs selected for co-option to undertake these three programmes.

A related line of enquiry is inspired by the apparent paradox manifested by the substantial number of contracted early childhood development organisations maintaining their operations with nominal government revenue. These organisations must either maintain significant funding streams beyond government's largesse, or operate at excruciating levels of efficiency, or offer a very constrained value proposition, or some combination of these. I believe it would be useful to gain understanding of the organisational performance of this programme category.

Having criticised the performance indicators used by government for evaluating social development activity, it is incumbent upon my future research endeavours to explore and compare the KZN performance indicators with those proposed in other provinces, as well as the indicators used in the community and economic development fraternity both in South Africa and in other sovereignties.

Establishing the opinions and perceptions of the public charged with responsibility for compassionate endowment to the NPO sector, is necessary. According to Bergman and Steinmo (2018, pp273-274):

> *It is clear that citizens can be intimidated into paying taxes. In societies that are more successful in collecting taxes, however, citizens and taxpayers willingly take a leap of faith and pay their taxes because of some sense of public good, common identity, and/or sense of equity. While it is clearly the case that short-term self-interest plays a role in citizens' willingness to pay, it is equally clear that citizens are also driven by social norms, a desire for fairness, a sense of belonging, and even their social values.*

Anecdotal evidence suggests a declining willingness of taxpayers to fund the largesse of a profligate state – a licentiousness that may be said to have delivered a precarious state of willingness. The opacity that accompanies state assertion of sound planning and programmatic success renders this precariousness secure for the time being. However, wave after wave of state miscarriage renders citizen taxpayers disappointed, let down and suspicious. Aware that compassion drives donor funding of civil society organisations, I advocate research enquiry to explore donor comprehension of beneficiary organisation performance. Related research must establish prevailing donor perceptions and opinions, and the propensity of donors to maintain their compassionate endowments. This opinion would, if garnered, provide a telling litmus test of the welfare sector's vulnerability.

The logic of applied welfare economics dictates that cost benefit analysis demonstrates the effect of welfare policy. According to Little (2002), calculating the present social value of welfare execution demonstrates "that the gainers could compensate the losers" (Little, 2002, p23). My research, particularly so if extended to the universe of nine provinces, enables scientific inquiry of the economic improvement argued by the state, social development policy makers and the apparatus responsible for operationalizing and executing these policies. I therefore advocate cost-benefit analysis of the state's policy on social development, to evaluate the present social value thereof and in so doing, evaluate the distributional judgement of the state in perpetuating the current form of so-called developmental social welfare.

I note that if we are to continue with the schema that places NPOs at the interface between the target beneficiaries of government's social development efforts, and government, then there is merit in

reconsidering whether the scope and process of social work education and professional development are up to the task of preparing social workers for the task ahead. In this vein, I propose research enquiry that undertakes a review of the social work curricula of the public universities. This research would seek to identify whether the curriculum content, the taught curriculum and the learned curriculum, are up to the task of not only training social workers to perform their traditional role, but also the role required by a what has emerged as a new era of South African welfare delivery. In this scheme of things, social workers are expected to empower the social (for which we must read economic) development of impoverished and deprived individuals, households and communities. Whether the current status quo in respect of education and training is up to this task, remains to be established.

Finally, I reiterate that I have noted (sub-section 10.3.3) that policy and practice should necessarily lean towards the principles and criteria identified in the review of literature as prerequisite for social development. These include removing constraints to self-reliance, improving access to key productive resources, and facilitating the realisation of increased value of the productive outputs of the deprived. Identifying exemplars of social development to serve as beacons of hope, and to populate a lessons-learned database for the social work professions knowledge repository, is advocated as a research avenue.

10.7 CONCLUDING REMARKS

The NDP acknowledges that there are "gaps in the system that require attention" (2011, p340) *inter alia* poor coordination and implementation of government policies, government under-performance in areas such as health and education, youth unemployment and crucially, "the neglect of social welfare services" (2011, p340). Government's reliance on the contribution made by civil society is similarly acknowledged:

> *All provinces rely heavily on not-for-profit organisations to deliver services. The average percentage of the total social welfare programme budget transferred to such organisations for 2011/12 is 51.3 percent, slightly down from 51.8 percent for 2010/11, using adjusted estimates. By 2013/14, this percentage is set to fall further, to 50.8 percent.* (NDP, 2011, p340)

Also established is that government's contracting disbursements do not cover the full cost of service, the inference being that NPOs must seek the shortfall in funding services defined by contractual agreement with the DSD. However, in the presence of what may then be contemplated as an extortionate collaborative frame of reference, it is more shocking that government readily concedes that funding of civil society has:

> *…declined steadily since 1994, reducing the range and compromising the quality of services at the same time as demand for such services has increased. Such organisations are unable to respond to the scale and complexities of South Africa's poverty, social fragmentation and lack of social support systems.* (NDP, 2011, p337)

Moreover, the NDP attests that "the scale of fragmentation and loss of purpose requires more systematic engagement with both governmental and non-governmental social service providers" (NDP, 2011, p338). This is but one perspective – it remains to validate the extent to which civil society is in fact able to render the scope and nature of welfare support that South Africa's deprived so desperately require, if the Constitution's appeal is to be heard.

If we maintain that research can describe, explain and resolve, then this research attempts description and explanation. However, the paucity of attention displayed towards the context and process attributes that form the focus of this study, would render any attempt to propose resolution of this problem, unconvincing. Dilemma resolution can only feasibly be achieved on the back of sound foundation. While the study advances, in my view, significant inroads on establishing a foundation of clarification, and robust and thorough isolation and identification of contextual parameters, my conceptualisation must of necessity be exposed to rigorous interrogation. This is straightforward: there exists profound opportunity to mount replication of my quantitative data analysis with the remaining eight South African provinces.

From a pragmatic perspective, there is no way that the resulting trove of data analysis - which would then represent a national five-year temporal analysis of the status of state social development funding – could be regarded as unreliable. Even so, enjoining quantitative data analysis with interpretative analysis of the social mechanism and institutions that form the context of national social development spending, invites criticism. I anticipate that general critics and particularly proponents of the current policy and process of social development spending, will argue the invalidity of my abduction of an explanatory hypothesis. I think this contradiction should be welcomed. If there is to be any prospect of social policy and process revision, it will feature more effectively targeted resource allocation and enhanced prospect of efficacious social spending. This represents an inflexion point in the current government administration's momentum. There will have to be a substantial volume of evidence led to contradict the ideologically propelled momentum of the current social policy and process. My thesis, and the dissemination of my conceptualisation into the public domain, transforms an intellectual position into a public conversation. Where this conversation contends public sector inefficiency and ineffectiveness, there will no doubt be vigorous pushback. Again, this should be welcomed for it is the stuff of progress, of revolution, of suspension of the pointless cul-de-sacs that accompany social momentum forged in ideological hegemony.

Placing my explanatory hypothesis, a cause retroduced from the effect-evidence in the public domain, in the purview of my fellow scholars, enables opportunity for either refining or refuting my claim.

Ultimately, if welfare continues to masquerade as insubstantive ideological commitment to social development, then target beneficiaries, the public, funding allies, social work professionals, all will continue to be led a merry dance. Merry and ideologically steadfast, but with a melancholy hangover as the evidence attests.

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UNIVERSITY OF KWAZULU-NATAL
INYUVESI YAKWAZULU-NATALI

9 December 2014

Mr Samuel Douglas Engelbrecht 821820824
School of Management, IT and Governance
Westville Campus

Dear Engelbrecht

Protocol reference number: HSS/1590/014M
Project title: Social deprivation and thrid sector dispersion: The case of the NPO sector in KwaZulu Natal

NO- RISK APPROVAL

In response to your application received 26 November 2014, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol has been granted FULL APPROVAL.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment /modification prior to its implementation. In case you have further queries, please quote the above reference number. Please note: Research data should be securely stored in the discipline/department for a period of 5 years.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

.....
Dr Shenuka Singh (Chair)
Humanities & Social Science Research Ethics Committee

/pm

cc Supervisor: Dr F Du Toit & Prof B McArthur
cc Academic Leader: Professor Brian McArthur
cc School Admin.: Ms Angela Pearce

UNIVERSITY OF KWAZULU-NATAL
INYUVESI YAKWAZULU-NATALI

24 November 2017

Mr Samuel Douglas Engelbrecht 821820824
School of Management, IT and Governance
Westville Campus

Dear Mr Engelbrecht

Protocol reference number: HSS/2172/017D
Project title: Social deprivation and government employment of the non-profit sector: a two-phased interrogation of the welfare policy-practice phenomenon in KwaZulu Natal

FULL APPROVAL – No Risk/Exemption Application

In response to your application received 8 November 2017, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol has been granted **FULL APPROVAL.**

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment /modification prior to its implementation. In case you have further queries, please quote the above reference number.

PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

.....

Dr Shamila Naidoo (Chair)
Humanities & Social Sciences Research Ethics Committee

/pm

cc Supervisor: Prof F du Toit & Professor Brain Mc Arthur
cc. Academic Leader Research: Prof Brain McArthur
cc. School Administrator: Ms Angela Pearce